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WEDNESDAY, FEBRUARY 28, 2001  
1:40 P.M.



1 SENATE RULES COMMITTEE

2 STATE OF CALIFORNIA

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6 HEARING

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10 STATE CAPITOL

11 ROOM 3191

12 SACRAMENTO, CALIFORNIA

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15 WEDNESDAY, FEBRUARY 28, 2001

16 1:40 P.M.

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25 Reported by:

26  
27 Evelyn J. Mizak  
28 Shorthand Reporter



APPEARANCESMEMBERS PRESENT

SENATOR JOHN BURTON, Chair

SENATOR ROSS JOHNSON, Vice Chair

SENATOR BETTY KARNETTE

SENATOR WILLIAM KNIGHT

MEMBERS ABSENT

SENATOR ED VINCENT

STAFF PRESENT

GREG SCHMIDT, Executive Officer

PAT WEBB, Committee Secretary

NETTIE SABELHAUS, Consultant on Governor's Appointments

SUSIE SWATT, Consultant to SENATOR JOHNSON

TIM SHELLEY, Consultant to SENATOR KARNETTE

CHRIS BURNS, Consultant to SENATOR KNIGHT

CAROLYN ROBINSON, Consultant to SENATOR VINCENT

ALSO PRESENT

ARTHUR S. LUJAN, Chief  
Division of Labor Standards Enforcement

SENATOR DEDE ALPERT

ASSEMBLY MEMBER CHARLENE ZETTEL

SENATOR STEVE PEACE

CHUCK CENTER  
State Council of Laborers

ART CARTER  
Pipe Trades  
State Association of Electrical Workers  
Sheet Metal Workers





1 ROBERT BALGENORTH  
2 California State Building Trades

3 ELIZABETH ECKS  
4 California Labor Federation, AFL-CIO

5 HAROLD A. ROSE, Member  
6 Industrial Welfare Commission

7 PERRY KENNY, President  
8 California State Employees Association

9 TOM GARDNER, President  
10 CDF Firefighters

11 BRIAN HATCH  
12 California Professional Firefighters

13 AARON READ  
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P-R-O-C-E-E-D-I-N-G-S

--ooOoo--

CHAIRMAN BURTON: Governor's appointees, Art Lujan.

SENATOR ALPERT: Good afternoon, Senator Johnson.

We have a bipartisan as well as a both House committee, bicameral, bipartisan, and I believe that we're going to shortly be joined by Senator Peace, who was getting his jacket so he could join us as well. There he is, speak of Senator Peace.

We all wanted to be here to introduce Art Lujan, and I think it speaks volumes that he does have this kind of support from the San Diego community. I think you may all be aware that he's headed up our Building and Trade Construction Council since the mid-'80s.

He's been a very valuable member of the community, not only in his professional life, but things that he's done for San Diego State University, the school system, in the philanthropic community for the Cancer Center, the Holiday Bowl, the Vista Community Clinic, just numerous things.

So, I just, for myself, would recommend him to you, and tell you that I think he has already done a good job and will continue to do a good job, and he should be approved by the Rules Committee.

ASSEMBLY MEMBER ZETTEL: Thank you.

I would like to second Senator Alpert's nomination, and I heartily recommend Art Lujan. He is a



1 tremendous community leader. He's worked hard for our  
2 community, not only on labor issues, but on housing, health  
3 care, educational issues, and I would encourage your approval of  
4 this appointment.

5 SENATOR PEACE: Thank you, Mr. Chairman.

6 I think the Committee has an unusual opportunity  
7 to confirm an individual who is already battle-tested in the  
8 context of understanding the consequences of making decisions  
9 and attempting to arrive at agreements, and the compromise that  
0 is always necessary.

1 As a labor leader, and as representative of his  
2 trade, he was an aggressive advocate for the people he was  
3 responsible to advocate for, but he also kept his eye on the  
4 ball with respect to understanding that at the end of the day,  
5 if there was no business there, there was no jobs.

6 Art Lujan more than any other single individual  
7 is simultaneously responsible for a resurgence in  
8 labor-represented jobs in San Diego County as a consequence of  
9 his leadership in San Diego. And interestingly enough, he is  
0 simultaneously responsible for improving, or I should say  
1 reducing the tensions between the business community and the  
2 labor community in San Diego by being willing to carry the  
3 messages both directions. Not simply going to the business  
4 community and arguing why labor wanted what it was arguing for,  
5 but also being willing to go to his own people and arguing why,  
6 at times, why they had to settle for less.

7 He's taken criticism at times in those  
8 circumstances. And kind of the heart of this business in taking





1 on a responsibility, as Art has been willing to volunteer to do,  
2 is the understanding that along with actually producing work  
3 product inherently comes the tug and pull of criticism from all  
4 sides.

5 I think that is the attribute, and the integrity,  
6 and courage that Art brings to the table more than anyone else,  
7 or any other single thing.

8 CHAIRMAN BURTON: Thank you.

9 We have your letter of February 21st. It's been  
10 made part of the record.

11 Why don't you just briefly say how you see the  
12 challenges before you, or why you want the job.

13 MR. LUJAN: Thank you, Mr. Chairman, for allowing  
14 me to come before you.

15 First of all, I'd like to thank Senator Peace,  
16 Senator Alpert, and Assemblywoman Zettel for taking the time to  
17 come down here and support my confirmation. It's greatly  
18 appreciated.

19 I'd like to start out first, if I may, I come  
20 from a large family, so I have a Northern California contingent,  
21 and a Southern California contingent. Part of the Northern  
22 California is here, and I'd like to first introduce my sister,  
23 Carol Ornelas, from Stockton, and her son Matthew. And my  
24 sister Debbie Llata and her youngest son, Andrew, from  
25 Sacramento.

26 As Senator Peace has indicated today, my whole  
27 career has been devoted to my community, to labor management,  
28 cooperation, to working with individuals and organizations on



1 both sides of the aisle in order to achieve a common goal. As  
2 such, I have brought that type of a background to my short  
3 tenure here with the Labor Commissioner's Office.

4 I have sought to improve and increase the  
5 training of the people that represent us out in the field to  
6 ensure that there is fairness, that we're consistent in our  
7 message, and that we are, first and foremost, that there is no  
8 arbitrary and capricious decisions that are being made by our  
9 folks.

10 At the same time, part of our mission statement  
11 is not only to vigorously enforce the labor laws, but also to  
12 ensure that the employer community is educated about what the  
13 laws are of the state. And over the last couple of years,  
14 there's been new rules, regulations, and new wage orders that  
15 have been adopted. As such, we have set about to do outreach in  
16 the community to make sure that all industries understand  
17 exactly what is required of them. It's been extremely difficult  
18 in the construction industry, especially residential  
19 construction, because they're not used to operating under those  
20 kind of work orders.

21 So, we've doubled our efforts to ensure that the  
22 word gets out into those respective industries.

23 I've pledged to work to increase that outreach so  
24 that not only the employees understand what the rules and  
25 regulations are, but as well as the employers, and to go after  
26 those companies that are trying to gain unfair advantage against  
27 reputable employers through their business practices of trying  
28 to disobey the law.





1 I would appreciate this Committee's support to  
2 continue the work that we've just started.

3 CHAIRMAN BURTON: What's the staffing situation  
4 at your office? Authorized staff versus filled, or how many  
5 vacancies do you have? Do you know?

6 MR. LUJAN: I can't give you exact numbers, but  
7 there's been previous testimony that the numbers had dropped  
8 dramatically from what they were ten years ago.

9 With all the various augmentations, the numbers  
10 are beginning to increase. It's my understanding we're probably  
11 somewhere in the neighborhood of somewhere between 400 and 425  
12 employees at this particular point in time, with approximately  
13 80 out in the field in different locations throughout the  
14 state.

15 I would remind everyone that we have 21 district  
16 offices that we also have to staff.

17 CHAIRMAN BURTON: Let's say you were entitled to  
18 800 people, what percentage? Where are you as far as vacancies?  
19 What do you need?

20 If you don't know that, that's fine. They'll be  
21 asking that in the budget subcommittee.

22 MR. LUJAN: We can provide you with exact  
23 numbers.

24 CHAIRMAN BURTON: It's our information that  
25 basically there's less investigators and enforcement people now  
26 than there were 20 years ago. And you've got a bigger workforce  
27 and probably more problems.

28 MR. LUJAN: The numbers that we've seen that go



1 back as far as 10 years ago, the numbers had dropped  
2 dramatically, and we're in the process of rebuilding.

3 Although we obviously could use more resources,  
4 the resources that we do have at this particular point in time,  
5 we're trying to be as effective and efficient as we possibly can  
6 be.

7 CHAIRMAN BURTON: The U.S. Department of Labor  
8 showed that a very high percentage of the garment industry were  
9 out of compliance with wages and hours regulations.

10 Do you have like a task force on the garment  
11 industry, or what are you doing on that?

12 MR. LUJAN: It's not only the garment industry,  
13 but in all of the underground economy we have assigned specific  
14 individuals, not only field investigators, but our staff  
15 attorneys, and we're doing the coordination on a statewide  
16 basis, not only with garment, but with janitorial, with  
17 construction, and with agriculture.

18 CHAIRMAN BURTON: Senator Johnson.

19 SENATOR JOHNSON: No questions.

20 CHAIRMAN BURTON: Senator Karnette.

21 SENATOR KARNETTE: Keeping in mind that you don't  
22 have enough people, how do you plan to make it better? Use the  
23 ones you've got more effectively, or have underground people?

24 It concerns me that there's so many people that  
25 are not found out that are breaking laws.

26 MR. LUJAN: We are presently putting all of our  
27 folks through training programs. We're trying to upgrade the  
28 computer systems to make sure that we use those tools that are



1 available to us as effectively as we possibly can.

2 At the same time, we are going -- we have been  
3 leveraging our resources. We're re-establishing our memorandums  
4 of understanding with not only the state but federal agencies.  
5 We're working with the Department of Labor, Cal-OSHA, State  
6 Contractors License Board, EDD, as well as the local city  
7 attorneys and district attorneys in order to have a broader base  
8 of operation, so we can have as much impact in a local community  
9 as we possibly can.

10 SENATOR KARNETTE: I notice that there's so many  
11 people that don't speak English. How do you handle that? I  
12 know you can't have people speaking all the languages that are  
13 in L.A., for example.

14 MR. LUJAN: That's been one of my top  
15 priorities. If you can see in my communication, the long-term  
16 goal is to make sure that we have adequate staffing from a  
17 bilingual perspective.

18 We target those populations. And every time that  
19 we go on sweeps of any sort, we always make sure that we have  
20 people that can speak the language that's being spoken by a  
21 majority of the people involved in that particular industry.

22 And we will continue to make sure that we have  
23 those bilingual capabilities. At the same time, we want to make  
24 sure that educational material that we put out is put out in  
25 more than just the English language.

26 To that extent, even people working within the  
27 Division, for instance, and I use this as an example, there is a  
28 dialect of people spoken from a certain portion of Mexico called



1 Mezteca. When we know that we're going into those areas that  
2 may have this population, we make sure that we have the  
3 translation capabilities.

4 So, we're working with what we have, always being  
5 sensitive to the fact that we have to have people out in the  
6 field that are speaking the language of those employees.

7 SENATOR KARNETTE: Thank you.

8 CHAIRMAN BURTON: Senator Knight.

9 SENATOR KNIGHT: No questions.

10 CHAIRMAN BURTON: Do you have any viewpoints on  
11 what your office's current position is on the banks mandating  
12 tellers to clean the ATM machines during their off-time.

13 [Laughter]

14 CHAIRMAN BURTON: Okay. Just a thought.

15 Witnesses in support, please.

16 MR. CENTER: Thank you, Mr. Chairman, Chuck  
17 Center.

18 State Council of Laborers proudly support Art  
19 Lujan, who is a member of Laborers Local 89 out of San Diego.

20 Thank you.

21 MR. CARTER: Art Carter on behalf of the State  
22 Pipe Trades Council, the State Association of Electrical  
23 Workers, and the Sheet Metal Workers, in strong support.

24 We urge the Legislature to add positions so he  
25 can enforce the law.

26 MS. ECKS: Elizabeth Ecks, California Labor  
27 Federation in support of the confirmation today.

28 Clearly we've heard the role of the Labor





1 Commissioner, and having someone from labor, and knowing labor's  
2 issues, will certainly help in endeavoring of enforcing our  
3 state laws. We support the confirmation.

4 MR. BALGENORTH: Bob Balgenorth, State Building  
5 Trades. We're in strong support of Art Lujan for Labor  
6 Commissioner.

7 CHAIRMAN BURTON: Witnesses in opposition?  
8 Hearing none, pleasure of the Committee?

9 SENATOR KARNETTE: Move.

10 CHAIRMAN BURTON: Moved by Senator Karnette.  
11 Call the roll.

12 SECRETARY WEBB: Senator Karnette.

13 SENATOR KARNETTE: Aye.

14 SECRETARY WEBB: Karnette Aye. Senator Knight.

15 SENATOR KNIGHT: Aye.

16 SECRETARY WEBB: Knight Aye. Senator Johnson.

17 SENATOR JOHNSON: Aye.

18 SECRETARY WEBB: Johnson Aye. Senator Burton.

19 CHAIRMAN BURTON: Aye.

20 SECRETARY WEBB: Burton Aye. Four to zero.

21 CHAIRMAN BURTON: Thank you, Art.

22 Harold Rose, Member of the IWC.

23 MR. ROSE: Thank you.

24 First, I'd like to introduce my family. With me  
25 is my wife, Bruna, April, 40 years. Our daughter and son,  
26 daughter-in-law and son, Dave and Valerie. In the audience  
27 there's some folks who speak for my support, I certainly hope.

28 And I have Perry Kenny, President of CSEA. He's



1 sitting beside me.

2 Senator Burton, Senators of the Senate Rules  
3 Committee, I'm gratified to be able to be here this afternoon.  
4 With my appointment by Gray Davis, Governor Gray Davis, to the  
5 Industrial Welfare Commission and the opportunity to appear  
6 before you is a highlight of my life.

7 I've been representing state employees for the  
8 last 40 years, working with CSEA at Humboldt State, Sonoma  
9 State, and Sonoma State Hospital.

10 In the last four years of my employment, I worked  
11 with the California Department of Forestry and Fire Protection,  
12 which I worked 35 years, the last four years as the union rank  
13 and file rep. on a statewide basis, representing 5,000  
14 employees.

15 With a progressive and understanding Industrial  
16 Welfare Commission, the State of California will be leader in  
17 wages and the rights of employees.

18 I filed my first grievance at age 17 for minimum  
19 wage. Shortly thereafter I was unemployed. There was nobody  
20 there to help me, so I decided I've got to help myself. I've  
21 been doing so, and it continues today.

22 I'm asking to be confirmed today so that I can  
23 continue to represent California workers to a higher position  
24 than ever before.

25 Sitting beside me is Perry Kenny.

26 CHAIRMAN BURTON: Whose place are you taking?

27 MR. ROSE: I don't know.

28 CHAIRMAN BURTON: Are you taking Chuck's place?



1 MR. ROSE: Okay.

2 CHAIRMAN BURTON: I see that you're a Druid.

3 MR. ROSE: Yes, sir.

4 CHAIRMAN BURTON: Have you ever been to  
5 Stonehenge?

6 MR. ROSE: No, sir.

7 CHAIRMAN BURTON: Want to go?

8 MR. ROSE: Yeah.

9 CHAIRMAN BURTON: So would I, actually.  
10 Have you ever been to Druid's Hall in San  
11 Francisco?

12 MR. ROSE: No, Santa Rosa only.

13 CHAIRMAN BURTON: They had a great, great hall  
14 there.

15 Tell me about the shepherders issue.

16 MR. ROSE: Do you have time, Senator.

17 CHAIRMAN BURTON: Yes.

18 MR. ROSE: Shepherders are brought into  
19 California, to the United States, but California is what we're  
20 concerned with. There's 280 of them on a federal government  
21 program, an H2A program.

22 They come in from Peru, China, Mexico, Mongolia.  
23 And they get paid 960 dollars a month for 24 hours a day, seven  
24 days a week, 365 days a year. They're given a trailer, and they  
25 have potable water, and a refrigerator, and that's all they get.

26 CHAIRMAN BURTON: They don't have a right to  
27 receive mail?

28 MR. ROSE: That's part of it. They have a





1 problem receiving mail. The rancher will bring the mail and the  
2 food to the shepherd, wherever the shepherd is.

3 CHAIRMAN BURTON: So they can get mail, but it's  
4 mail like through a post office box?

5 MR. ROSE: Or the ranch itself, and then just  
6 deliver it once a week.

7 CHAIRMAN BURTON: Can't mail it out to Big Rock  
8 there in the middle of the meadow.

9 MR. ROSE: No.

10 CHAIRMAN BURTON: Family visits? Do they have  
11 the right to family visits?

12 MR. ROSE: I assume they do. That's a question  
13 that never came up.

14 SENATOR KNIGHT: If the trailer's big enough.

15 CHAIRMAN BURTON: In other words, there's no  
16 longer any not necessarily native California Basques, but --

17 MR. ROSE: There's eight of them working in  
18 California.

19 CHAIRMAN BURTON: There's only eight Basques  
20 left?

21 MR. ROSE: That are United States citizens, yes,  
22 sir.

23 CHAIRMAN BURTON: In fact, in the district I  
24 represent, they have a lot of the Basque hotels where they'd  
25 come in whenever they got time off and kind of paint the town  
26 red, and then go back up in the hills.

27 There's only eight Basques left doing that  
28 sheepherding.



1           What do you know about a proposal -- this is  
2 what's wrong when other people write up questions for you to  
3 ask. I don't even know my position on this.

4           But there's an employee proposal to be reviewed  
5 at the March 2nd meeting, Friday? Do you even know what I'm  
6 talking about?

7           MR. ROSE: Yes, sir.

8           CHAIRMAN BURTON: Good. What am I talking about?

9           MR. ROSE: There's two proposals. One is home  
10 care providers want an exclusion for overtime; they want a  
11 different work week. And we're going to discuss the Wage Board  
12 decision that met two weeks ago on shepherders.

13          CHAIRMAN BURTON: Senator Johnson.

14          SENATOR JOHNSON: I don't have any questions.

15          CHAIRMAN BURTON: Senator Knight.

16          SENATOR KNIGHT: No.

17          CHAIRMAN BURTON: Senator Karnette.

18          SENATOR KARNETTE: No.

19          CHAIRMAN BURTON: Witnesses in support.

20          MR. KENNY: Perry Kenny, the California State  
21 Employees Association.

22                 We stand, and we sit at the moment, in support  
23 for the reasons -- I turned a document in to you, and all the  
24 service that he's supplied to our active and retired employees  
25 at CSU. So, we support Harold Rose, and we hope you will, too.

26          MR. GARDNER: Tom Gardner, President, CDF  
27 Firefighters, in strong support of Harold.

28                 Harold came back. When the Governor appointed



1 one of our labor reps to state service, Harold came back and  
2 helped us once again as a labor rep, and he's been one all his  
3 life.

4 MR. HATCH: Brian Hatch, on behalf of the  
5 California Professional Firefighters. We're here also in  
6 support of Harold.

7 He's been an asset to our organization, working  
8 with the organization to help better the working conditions of  
9 our firefighters. And we're glad to see him here.

10 MR. READ: Thank you, Mr. Chairman and Members.  
11 Aaron Read, pleased to be here.

12 I have known Harold for 32 years: my 10 years at  
13 CSEA, and 22 years representing CDF Firefighters. He's always  
14 been there for the men and women who work hard for a living.  
15 Great friend, and I'm pleased to be here on his behalf.

16 MS. ECKS: Labor Federation, AFL-CIO. We're in  
17 support.

18 CHAIRMAN BURTON: Witnesses in opposition?  
19 Pleasure of the Committee?

20 SENATOR KARNETTE: Move it.

21 CHAIRMAN BURTON: Call the roll.

22 SECRETARY WEBB: Senator Karnette.

23 SENATOR KARNETTE: Aye.

24 SECRETARY WEBB: Karnette Aye. Senator Knight.

25 SENATOR KNIGHT: Aye.

26 SECRETARY WEBB: Knight Aye. Senator Johnson.

27 SENATOR JOHNSON: Aye.

28 SECRETARY WEBB: Johnson Aye. Senator Burton.



1 CHAIRMAN BURTON: Aye.

2 SECRETARY WEBB: Burton Aye. Four to zero.

3 CHAIRMAN BURTON: Congratulations.

4 MR. ROSE: Thank you very much, Senators.

5 [Thereupon this portion of the  
6 Senate Rules Committee hearing was  
7 terminated at approximately 2:08 P.M.]

8 --ooOoo--  
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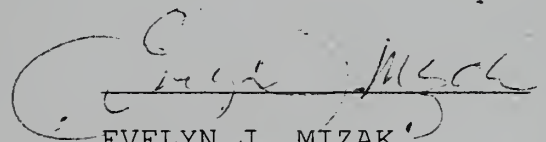
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I, EVELYN J. MIZAK, a Shorthand Reporter of the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing transcript of the Senate Rules Committee hearing was reported verbatim in shorthand by me, Evelyn J. Mizak, and thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said hearing, nor in any way interested in the outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 1<sup>st</sup> day of March, 2001.

  
EVELYN J. MIZAK  
Shorthand Reporter





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SENATE RULES COMMITTEE

STATE OF CALIFORNIA

HEARING

STATE CAPITOL

ROOM 112

SACRAMENTO, CALIFORNIA

WEDNESDAY, MARCH 7, 2001

1:30 P.M.

Reported by:

Evelyn J. Mizak  
Shorthand Reporter



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CAROLYN ROBINSON, Consultant to SENATOR VINCENT

ALSO PRESENT

STEPHEN V. GIORGI, Chief  
Bureau of Security and Investigative Services

ALVA S. COOPER  
Sacramento County Sheriff

CARL BRAKENSIEK  
California Association of Licensed Repossessors

G. ALBERT HOWENSTEIN, JR.  
California Association of Licensed Security Agencies,  
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DONALD R. MEYER  
Commissioner of Financial Institutions



BOB ARNOULD  
California Credit Union League

RUSSELL W. NOACK, Administrator/Leg. Advocate  
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ARTHUR H. ROSENFELD, Ph.D., Member  
State Energy Resources Conservation and Development Commission

SENATOR DEBRA BOWEN

V. JOHN WHITE  
Sierra Club, Clean Power Campaign, and  
Natural Resources Defense Council

PAUL GLADFELTY  
Lennox International

JON D. EDWARDS  
Professional Engineers in California Government

ROBERT PERNELL  
CEC and California State Council of Labor



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P-R-O-C-E-E-D-I-N-G-S

--ooOoo--

CHAIRMAN BURTON: Governor's appointees required to appear, Stephen Giorgi, Chief, Bureau of Security and Investigative Services.

MR. GIORGI: Senator Burton, thank you. It is an honor for me to be here before you today.

Senator Knight, Senator Karnette, Senator Vincent, Senator Johnson, thank you very much for your time this afternoon. I'm very honored to be here.

I would, if I may, like to introduce a couple of people very quickly. My wife of 32 years, Marilyn, is here, and also my son, Nathan. I'd like to introduce them to the Committee.

I've spent over 28 years of my life in federal law enforcement. At the time of my retirement in 1997, I was appointed as Chief of the Enforcement Division for the Department of Consumer Affairs. In May of last year, I was honored to be appointed by Governor Davis to the position of Chief of the Bureau of Security and Investigative Services.

The Bureau, as you probably well know, regulates various security industries in the State of California, and that includes locksmiths, private investigators, private patrol operators, security guards, repossessioners, security training facilities, alarm companies and their employees.

The Bureau is challenged to ensure that those regulated industries provide safe and professional security services to the California consumer. The Bureau is committed



1 to providing efficient and effective licensing and enforcement  
2 services for the consumers of this state.

3 We are committed to meeting and improving our  
4 licensing goals. Our enforcement activity has been enhanced  
5 and has been emphasized, and fraudulent business activity and  
6 unlicensed activity is our highest enforcement priority.

7 Probably the most significant challenge facing  
8 the Bureau of Security and Investigative Services is to ensure  
9 that full law enforcement checks are conducted prior to security  
10 guards beginning assignment. I am confident that working with  
11 the Legislature and the industry, we will meet that challenge.

12 In the short time that I've been with the Bureau,  
13 I am very impressed with the staff. We have 44 very dedicated  
14 and professional employees. I look forward to working with  
15 them and continuing our services to the people of this state.

16 My personal goals are to serve the  
17 administration, the consumers, and industry with fairness and  
18 professional leadership.

19 I'll be glad to take any questions that you might  
20 have, Senator.

21 CHAIRMAN BURTON: What do you do with locksmiths?

22 MR. GIORGI: We license locksmiths. We also  
23 regulate the locksmith industry with respect to complaints and  
24 enforcement activities.

25 CHAIRMAN BURTON: So somebody wants to be a  
26 locksmith. They get a state license?

27 MR. GIORGI: That's correct. They would come to  
28 us and make application. We would take those fees. They would



1 go through a law enforcement check as far as background;  
2 background as it relates only to law enforcement.

3 CHAIRMAN BURTON: Would that include, like,  
4 hardware stores?

5 MR. GIORGI: Not just the making of keys,  
6 Senator, no, it would not include those individuals. The actual  
7 locksmiths that go to residences.

8 CHAIRMAN BURTON: The ones that change the locks?

9 MR. GIORGI: That's correct, at your residence.  
10 Those are the ones that are licensed by us.

11 CHAIRMAN BURTON: So, it would be locksmiths as  
12 opposed to key makers.

13 MR. GIORGI: That's correct.

14 CHAIRMAN BURTON: Why do you want to license a  
15 locksmith?

16 MR. GIORGI: Why do we license locksmiths? They  
17 have dual licensing. They have a licensing with us; they also  
18 have a licensing with the California State Contractors'  
19 Licensing Board.

20 The reason, of course, is that a locksmith has  
21 the ability, the knowledge, the technology, to open residences.  
22 It's important that we ensure the people of this state that  
23 those people who are doing it, as far as -- their background has  
24 been checked, and that they're doing it for the proper purposes.

25 CHAIRMAN BURTON: Senator Johnson.

26 SENATOR JOHNSON: No questions.

27 CHAIRMAN BURTON: Senator Vincent, welcome back.

28 SENATOR VINCENT: Thank you very much.

1 No questions.

2 CHAIRMAN BURTON: Senator Knight.

3 SENATOR KNIGHT: Yes, one question.

4 I get a lot of magazines every now and then. In  
5 one of the magazines there is an item in there that indicates  
6 that you can open any lock at all with this pick. It's for  
7 sale.

8 Yet, you license locksmiths, but this thing is on  
9 the market with various interchangeable heads for different  
10 types of locks, et cetera.

11 Is that legal?

12 MR. GIORGI: Yes, it is. Those type of lock  
13 picking sets, per se, are available to anyone who wishes to buy  
14 them. Of course, there is certain training that is needed in  
15 order to use that type of tool. But it is legal for the sale of  
16 that type of equipment.

17 CHAIRMAN BURTON: It's legal to sell lock picks?

18 MR. GIORGI: Yes, sir.

19 CHAIRMAN BURTON: To anybody?

20 MR. GIORGI: I believe anyone can purchase those  
21 sets.

22 SENATOR JOHNSON: That's fascinating. I was  
23 under the impression that people got arrested for having  
24 burglary tools in their possession, and that included picks for  
25 picking locks. That's not the case?

26 MR. GIORGI: Senator, to my knowledge, there's no  
27 law that prohibits the sale of a lock picking tool.

28 CHAIRMAN BURTON: Because they might need to be

1 used for legitimate purposes.

2 Senator KARNETTE.

3 SENATOR KARNETTE: I have a question about  
4 security guards.

5 I know you license security guards.

6 MR. GIORGI: That is correct.

7 SENATOR KARNETTE: But aren't there some problems  
8 with getting back information? You have to have them finger  
9 printed, and everything, and they go to work sometimes before  
10 you get the information. Is there anything you can do about  
11 that?

12 MR. GIORGI: That's correct, Senator, as we  
13 discussed yesterday.

14 The current law allows for a security guard to be  
15 allowed to work under a temporary guard card situation if they  
16 meet the requirement of not having a conviction. Meaning that  
17 if they go to a private patrol operator, and the private patrol  
18 operator wishes to put them to work, they ask the question,  
19 "Have you ever been convicted?" If the individual says that  
20 they have not, the private patrol operator can put that  
21 individual to work on a temporary basis until we do the law  
22 enforcement check on the person's application and finger print  
23 process. That is in current law.

24 That is a concern of mine. It's a concern of the  
25 Department; it's a concern of the Bureau. And I might add, it's  
26 also a concern of industry as well, because industry, like the  
27 state, would like to ensure that the most professional, and the  
28 safest, and the right people are out there doing that type of

1 employment.

2 We're looking at working with the Department of  
3 Justice to try and speed up that process, where we can do a full  
4 law enforcement check prior to these individuals being assigned  
5 work as a security officer.

6 SENATOR KARNETTE: And they can carry a firearm?

7 MR. GIORGI: No, Senator, they cannot. That's  
8 another application as well. That application for firearms,  
9 you cannot carry firearms until a full law enforcement check is  
10 done by the FBI and the Department of Justice; that must occur  
11 first.

12 SENATOR KARNETTE: There's one other question I  
13 would like to have a response on.

14 Private investigators are licensed, the firm, but  
15 not the individual private investigators?

16 MR. GIORGI: That's correct. You could have a  
17 private investigative firm where the qualified manager is a  
18 private investigator. That person would be licensed by us; that  
19 person would be tested by us; that person would have to have the  
20 6,000 hours requirements in order to be a private investigator.

21 But that firm could employ individuals working  
22 under the private investigator to do private investigative type  
23 work, such as surveillances, interviews, and things of that  
24 nature, working under the umbrella of the private investigator  
25 and working under the direction of that person. They must be an  
26 employee, however. They cannot be an independent contractor.

27 SENATOR KARNETTE: So, if they were employed by a  
28 company to look at some employees, they could go in and get



1 information even though they weren't licensed PIs?

2 MR. GIORGI: That is correct. We are looking at  
3 that. We have had discussions with industry with respect to  
4 possibly registering those types of individuals, and that would  
5 allow us to do law enforcement checks on those individuals prior  
6 to them doing that type of work.

7 The industry is very interested in pursuing that.  
8 Again, heightens and raises the bar with respect to  
9 professionalism if you register all employees, and we have a  
10 background, law enforcement background check done prior to them  
11 doing that type of work.

12 SENATOR KARNETTE: Thank you.

13 CHAIRMAN BURTON: What are these 6,000 hours  
14 somebody has to go through to be licensed?

15 MR. GIORGI: Correct. You have to have some type  
16 of training in order to be a private investigator. You could  
17 have an education from a criminal justice program or --

18 CHAIRMAN BURTON: If you're like a retired cop,  
19 automatically?

20 MR. GIORGI: That's correct.

21 CHAIRMAN BURTON: They would have had those  
22 hours?

23 MR. GIORGI: That's correct. You would have to  
24 have 6,000 hours, and then it would have to be certified by your  
25 police chief or sheriff that you have that type of law  
26 enforcement background.

27 CHAIRMAN BURTON: Six thousand hours, forty hours  
28 a week, that's three years about?

1 MR. GIORGI: That's correct, Senator.

2 CHAIRMAN BURTON: We'll shovel this off to  
3 Senator Figueroa of somebody, but it would seem to me just  
4 because you've got an ex-cop running the firm, they can hire  
5 anybody they want to do whatever it is private investigators do.  
6 That would seem to me to defeat the purpose.

7 MR. GIORGI: And that is a concern of ours, and I  
8 know it is a concern of industry, and we are looking at that  
9 with respect to potential or possible legislation with  
10 registering those individuals.

11 CHAIRMAN BURTON: You're registering some  
12 locksmith. You've got these people that are doing God knows  
13 what.

14 SENATOR JOHNSON: Peeking through key holes.

15 [Laughter.]

16 CHAIRMAN BURTON: It just seems to me kind of  
17 bizarre that the only thing they're doing different than the  
18 licensed holder is, they're the ones receiving a paycheck  
19 instead of signing it.

20 MR. GIORGI: And they're working under the  
21 supervision, hopefully, of the private investigator.

22 CHAIRMAN BURTON: In other words, they don't have  
23 the one boss licensed going out with the person and sitting on  
24 surveillance or whatever, where they could only do one at a  
25 time.

26 It seems to me something that probably ought to  
27 be looked at. You could have one cop who did three or four  
28 years, 20 people working under him that, for all you know, could

1 be anything and everything.

2 MR. GIORGI: It is on our plate, Senator.

3 CHAIRMAN BURTON: Witnesses in support, briefly.

4 MR. COOPER: Mr. Chairman and Members, Al Cooper  
5 representing Sheriff Vargas in support of this appointment.

6 MR. BRAKENSIEK: Mr. Chairman and Members, Carl  
7 Brakensiek on behalf of the California Association of Licensed  
8 Repossessors, strongly in support of this confirmation.

9 MR. HOWENSTEIN: Mr. Chairman and Members of the  
10 Committee, Al Howenstein representing the California Association  
11 of Licensed Security Guards and Associates.

12 We are in full support of Mr. Giorgi. I will  
13 recognize that the questions that Senator Karnette has asked are  
14 questions that we're really working closely with Mr. Giorgi on.  
15 And he's one of the first Bureau Chiefs who has put forth a  
16 tremendous amount of effort to deal with that specific issue,  
17 and we're very thankful for that kind of leadership. We think  
18 that's what he brings to the office.

19 We urge your support. Thank you.

20 MS. KOEHLER: Francie Koehler, President of the  
21 California Association of Licensed Investigators.

22 I appreciated the questions you brought up today;  
23 thank you very much.

24 I am in total support on behalf of my Association  
25 for Mr. Giorgi's confirmation. I have found, in working with  
26 him the last ten months, for him to be concerned equally about  
27 consumer protection as well as the enforcement of licensing  
28 misconduct and license activities. And I have had found him to

1 be responsive as we've been trying to develop standards for our  
2 profession.

3 Thank you very much.

4 CHAIRMAN BURTON: You appreciate that question.  
5 What do you think about it?

6 MS. KOEHLER: It's something that's been an  
7 ongoing discussion in our Association as well as with Mr. Giorgi  
8 and his predecessor.

9 I personally would not be opposed to such a  
10 bill. I can't say I can speak for my Association, but I would  
11 support it myself.

12 CHAIRMAN BURTON: I'll talk to Senator Figueroa,  
13 because I have a little bit on my plate right now. But it just  
14 doesn't make any sense to me.

15 Thank you.

16 MS. KOEHLER: I understand.

17 CHAIRMAN BURTON: Do you license the special cops  
18 or the door shakers, as we used to call them, if they have them  
19 anymore?

20 You know, the private cops. I guess they would  
21 be security people or what?

22 MR. GIORGI: It depends on the --

23 CHAIRMAN BURTON: In San Francisco we used to  
24 have, like, special police which basically businesses in an area  
25 hired, and they were basically door shakers. Then you had, I  
26 guess, some other kind that basically were private patrol police  
27 that sometimes signed up a bunch of people in the neighborhood.  
28 I guess they would be licensed?



1 MR. GIORGI: It's not a yes or no answer,  
2 Senator. It depends on the definition of their duties, and it  
3 also depends on whether or not they are a proprietary security  
4 officer, meaning that if they're employed by an apartment  
5 complex, for example, directly by the apartment complex, they  
6 are not required to be licensed by the State of California as  
7 long as they're not carrying a baton or a firearm.

8 There is a bill pending in this legislation that  
9 would recommend changing that to all security officers would be  
10 licensed by the State of California.

11 CHAIRMAN BURTON: Well, if they're not carrying a  
12 baton or a gun, they're a doorman.

13 MR. GIORGI: Not necessarily.

14 CHAIRMAN BURTON: A maintenance engineer.

15 MR. GIORGI: They could still be performing  
16 security services.

17 CHAIRMAN BURTON: Yeah, they walk around and  
18 look, but really, it's not what you'd call your security.

19 But what I was talking about, which I assume they  
20 would have to be licensed at least by the local police  
21 department, but special cops that literally would patrol a  
22 neighborhood, where the people in that neighborhood association  
23 would hire them to patrol. It's my understanding they even  
24 carry weapons, so they'd probably have to be licensed.

25 MR. GIORGI: I'm just not sure. To me, it would  
26 depend on the actual definition of their type of duties as to  
27 whether they would meet the definition of a security officer.

28 CHAIRMAN BURTON: If they carry a gun, I guess

1 they would.

2 MR. GIORGI: If they carry a firearm, they would  
3 have to be licensed.

4 CHAIRMAN BURTON: Witnesses in opposition?

5 Hearing none, moved by Senator Johnson.

6 SENATOR JOHNSON: Yes, move.

7 CHAIRMAN BURTON: Call the roll.

8 SECRETARY WEBB: Senator Karnette.

9 SENATOR KARNETTE: Aye.

10 SECRETARY WEBB: Karnette Aye. Senator Knight.

11 SENATOR KNIGHT: Aye.

12 SECRETARY WEBB: Knight Aye. Senator Vincent.

13 SENATOR VINCENT: Aye.

14 SECRETARY WEBB: Vincent Aye. Senator Johnson.

15 SENATOR JOHNSON: Aye.

16 SECRETARY WEBB: Johnson Aye. Senator Burton.

17 CHAIRMAN BURTON: Aye.

18 SECRETARY WEBB: Burton Aye. Five to zero.

19 CHAIRMAN BURTON: Congratulations.

20 Donald Meyer, Commissioner of Financial  
21 Institutions.

22 That used to have a different name?

23 MR. MEYER: Yes, it used to be called the  
24 Department of Banking.

25 Good afternoon, Mr. Chairman.

26 CHAIRMAN BURTON: We do have your statement,  
27 background for the record. Maybe you just want to highlight or  
28 tell us how you see your position.

1 MR. MEYER: I'll be very brief, Senator.

2 I'm Donald Meyer, Commissioner of Financial  
3 Institutions.

4 My wife of 34 years is here today with me and my  
5 staff.

6 The mission of the Department is primarily to  
7 provide Californians with safe and sound financial institutions  
8 which serve the convenience and needs of the public.

9 You have many points in my presentation to the  
10 Committee, just the highlights. I'm trying to make sure there's  
11 a viable state charter. Trying to make sure we give quality  
12 service to our licensees. Trying to make sure that we monitor  
13 the internet as it affects financial services to both our  
14 licensees and the public.

15 We are developing more public information on our  
16 web site and through foreign language brochures.

17 Finally, I hope to do something about financial  
18 literacy to the extent I can.

19 My short-term goal is to keep a highly trained  
20 and motivated workforce at BFI. When I arrived, there were 40  
21 vacancies out of about 215 positions. We've filled almost all  
22 of those.

23 I'd like to improve the management information  
24 system and the use of electronics because that's becoming more  
25 and more in our industry. We need to examine banks remotely if  
26 we can.

27 And I finally want to deliver better services to  
28 consumers by highlighting what some of the institutions have

1       done so others will copy.

2                   I'll gladly give you any information you'd like,  
3       but I'll stop right there.

4                   CHAIRMAN BURTON:   How many state-chartered banks  
5       are there?

6                   MR. MEYER:   Two hundred and two as of the end of  
7       the year.

8                   CHAIRMAN BURTON:   And how many state-chartered  
9       S&Ls?

10                  MR. MEYER:   Three.   There used to be 300;   most  
11       of them have converted or disappeared.

12                  Credit unions, there are 216.   There are foreign  
13       banks in the state, 54.   There are 18 trust companies, and 22  
14       industrial banks, which have become last year, due to some  
15       legislation passed, very similar to commercial banks.

16                  Finally, we have premium finance companies; there  
17       are 73 of those.

18                  About \$200 billion in assets in those  
19       institutions.

20                  We also have transmitters in money abroad, 52.  
21       There's about 12,000 agents transmitting abroad.   We do not  
22       regulate domestic transmission in California.

23                  Finally, we have money order issuers, 10, and  
24       traveler's check issuers, 6.   And then we have some  
25       representatives of foreign banks that are not full-service, 66  
26       of those, 721 licensees.

27                  CHAIRMAN BURTON:   Senator Johnson.

28                  SENATOR JOHNSON:   Did you say financial literacy?



1 MR. MEYER: Yes. What I was speaking here is  
2 both for K through 12, and for adults, you need to understand  
3 what financial services are available to you. More could be  
4 done in this area, I believe.

5 Very few people understand truly the difference  
6 between a credit card and a debit card. I'd like to put  
7 information out about that.

8 CHAIRMAN BURTON: Why don't you explain that.

9 [Laughter.]

10 SENATOR JOHNSON: I assure you that Mrs. Johnson  
11 knows the difference.

12 [Laughter.]

13 MR. MEYER: You do check your checking account  
14 balance; right.

15 CHAIRMAN BURTON: What is the difference?

16 SENATOR JOHNSON: How do you go from being a  
17 political science major at UC Berkeley in the '60s to being a  
18 banker.

19 [Laughter.]

20 MR. MEYER: I had a lot of educational debts,  
21 Senator. I was in the Peace Corps right after that and didn't  
22 make much money, and I had to pay off my school loans from law  
23 school. So, I went for the first paying job at a law firm, then  
24 the bank hired me out of the law firm.

25 I was primarily a bank lawyer.

26 SENATOR JOHNSON: One serious question, if I may.  
27 How many employees do you have?

28 MR. MEYER: We have about 212 staff.

1 SENATOR JOHNSON: Are there vacancies currently?

2 MR. MEYER: Yes, there are. Basically the number  
3 I just gave you. We have 218 authorized and 16 vacancies.

4 SENATOR JOHNSON: Thank you very much.

5 CHAIRMAN BURTON: Better off than most.

6 MR. MEYER: We've had a big hiring campaign. We  
7 went from periodic exams to a continuous examination.

8 Believe me, it's hard to find people for 40,000 a  
9 year with 16 units of accounting who want to work in the Bay  
10 Area for the State of California, but we found them.

11 CHAIRMAN BURTON: All right, let's get back to  
12 the nitty-gritty. What is the difference between a debit card  
13 and a credit card?

14 [Laughter.]

15 CHAIRMAN BURTON: You're not getting out of here  
16 this easy.

17 [Laughter.]

18 MR. MEYER: Don't use the debit card.

19 CHAIRMAN BURTON: What is it?

20 MR. MEYER: Well, a debit card charges your  
21 account immediately. A credit card, you have a period of time  
22 to pay.

23 CHAIRMAN BURTON: For example?

24 MR. MEYER: If you have a debit card, and you go  
25 down to the local 7-11, you run it through the terminal.  
26 Electronically, that goes right into your bank through a system,  
27 charges your account. The next morning, your balance will be  
28 less that amount.

1 CHAIRMAN BURTON: It's like an ATM card.

2 MR. MEYER: It's the same thing, right.

3 CHAIRMAN BURTON: It's double-speak.

4 MR. MEYER: It doubles; that's right. Many of  
5 them double as such.

6 CHAIRMAN BURTON: No, I said double-speak. ATM  
7 cards we understand.

8 MR. MEYER: But more importantly, the protections  
9 that you have with --.

10 CHAIRMAN BURTON: What are you doing about  
11 getting another ATM machine back in this building.

12 [Laughter.]

13 MR. MEYER: There is one downstairs.

14 CHAIRMAN BURTON: No, there was. That's before  
15 the truck went through.

16 Senator Vincent.

17 SENATOR VINCENT: I was interested in what you  
18 were saying. I used to go into gas stations, ARCO. I used to  
19 go in there and use your debit card. You go into Texaco, it  
20 says credit or debit. I just pay cash. I didn't know what it  
21 meant.

22 MR. MEYER: Well ARCO, the price is a little  
23 lower at ARCO. Did you notice that? And that's because they're  
24 not giving two or three percent to the credit card company; all  
25 right? They give one percent on the debit card.

26 CHAIRMAN BURTON: So, the debit card takes the  
27 place of a check?

28 MR. MEYER: Exactly. That's a good way of saying

1 it.

2 CHAIRMAN BURTON: Senator Knight.

3 SENATOR KNIGHT: I don't have any questions.

4 CHAIRMAN BURTON: Senator Karnette.

5 SENATOR KARNETTE: I have one about credit  
6 unions.

7 I know that the Legislature created the  
8 Department of Financial Institutions in '96, and it kept the  
9 day-to-day regulation of commercial banks and credit unions  
10 separate.

11 Is that being done now? Are you committed to  
12 doing that?

13 MS. MEYER: Yes. The Governor has appointed  
14 directly a Deputy for credit unions, who is in the Department of  
15 Financial Institutions. There's a Division of Credit Unions.  
16 They are separate, and they are run separately.

17 SENATOR KARNETTE: There was another question I  
18 had, if I might.

19 There's been talk about transferring money from  
20 the U.S. to other countries, especially Mexico and Central  
21 America. I've heard bills on this.

22 Is it difficult for consumers to really compare  
23 and shop when they're transmitting money? There's all that talk  
24 about the money exchange, and how, in a week, it can change a  
25 little bit, and then if you buy --

26 MR. MEYER: Consumers can find information about  
27 the fees. There is a web site maintained by the government of  
28 Mexico in Spanish, the Consumer Affairs Department of the



1 government of Mexico. It shows the rates in every major U.S.  
2 city. They're gathered by the Mexican Consulate to transmit  
3 pesos to Mexico, for example, both the fee and the conversion  
4 rate. You can look at that on the web.

5 Now, obviously, many people don't have access to  
6 the web. You have to shop, then, like anything. If you go to  
7 Safeway, or you go to Lucky, it's the same thing. Go to  
8 different transmitters, and you will find the pricing is right  
9 there on the receipt, which we regulate. You can determine what  
10 the cost will be.

11 SENATOR KARNETTE: But people still have  
12 discussions about whether or not the people that are receiving  
13 the money are being treated fairly.

14 MR. MEYER: There have been some problems with  
15 fees being charged on the other end of the transaction, which we  
16 do not regulate.

17 President Fox announced at a press conference  
18 last week that he was going to lower the fees charged by the  
19 Mexican telephone system, which is all over the country and used  
20 by many people.

21 The market has brought down fees because of  
22 competition in the last two years. There's continuing  
23 litigation, though, over how much the foreign exchange is paid  
24 for, if it's a retail rate or a wholesale rate. We do not  
25 regulate that presently.

26 SENATOR KARNETTE: Thank you.

27 CHAIRMAN BURTON: Senator Knight.

28 SENATOR KNIGHT: No questions.

1 CHAIRMAN BURTON: Witnesses in support, briefly.

2 MR. ARNOULD: Bob Arnould from the California  
3 Credit Union League in support of the nomination, Mr. Chairman.

4 MR. NOACK: Hello. Russell Noack, on behalf of  
5 the California Association of Industrial Banks, in support of  
6 the nomination.

7 CHAIRMAN BURTON: What's an industrial bank?

8 MR. NOACK: An industrial bank is, remember the  
9 old thrift and loan companies?

10 CHAIRMAN BURTON: Very well. The ten percenters?

11 MR. NOACK: No longer. They are -- as you know,  
12 and as Senator Polanco and under Commissioner Meyer's leadership  
13 last year, the industrial banking law was modernized,  
14 simplified, brought under the rubric of the banking community  
15 and has all of the rules that apply to all banks and savings  
16 institutions now applicable to our industry.

17 CHAIRMAN BURTON: Why do you call them industrial  
18 banks?

19 MR. NOACK: It was -- it came -- it was called  
20 the industrial -- it came after the First World War for  
21 industrial workers because it was the only place for working  
22 class folks to get loans. It was the only place at that time,  
23 and that's where it came from.

24 Thanks, Senator.

25 CHAIRMAN BURTON: They're wondering whether you  
26 went to Boalt on Hay Street.

27 MR. MEYER: On Hay Street, the old Boalt, yes.  
28 The old brick pile. I was in the centennial -- I was there in

1 '56, the centennial year. And the earthquake shook it up pretty  
2 bad that year.

3 MR. MEYER: I went to Aptos High School.

4 CHAIRMAN BURTON: You went to Aptos Junior High?

5 MR. MEYER: Yes, right.

6 CHAIRMAN BURTON: I was the playground director  
7 at Aptos in '56.

8 MR. MEYER: Thank you.

9 CHAIRMAN BURTON: You don't have to thank me. I  
10 was getting paid for it, \$1.56 hourly. That was about \$530 a  
11 month, thank you.

12 Witnesses in opposition? Hearing none, Senator  
13 Karnette moves.

14 What was your address in San Francisco when you  
15 went to Aptos?

16 MR. MEYER: In Miraloma Park on Myra Way.

17 CHAIRMAN BURTON: Myra Way?

18 MR. MEYER: Absolutely.

19 CHAIRMAN BURTON: I'll be darned. I was also  
20 playground director at Miraloma Park.

21 [Laughter.]

22 MR. MEYER: Thank you again. I grew up there.

23 SENATOR JOHNSON: Now he's the playground  
24 director for the State Senate.

25 [Laughter.]

26 CHAIRMAN BURTON: And I tended bar At the  
27 Miraloma Club. So, I've got strong roots to Miraloma.

28 MR. MEYER: That's where the Boy Scouts used to

1 meet.

2 CHAIRMAN BURTON: Exactly.

3 Call the roll.

4 SECRETARY WEBB: Senator Karnette.

5 SENATOR KARNETTE: Aye.

6 SECRETARY WEBB: Karnette Aye. Senator Knight.

7 SENATOR KNIGHT: Aye.

8 SECRETARY WEBB: Knight Aye. Senator Vincent.

9 SENATOR VINCENT: Aye.

10 SECRETARY WEBB: Vincent Aye. Senator Johnson.

11 SENATOR JOHNSON: Aye.

12 SECRETARY WEBB: Johnson Aye. Senator Burton.

13 CHAIRMAN BURTON: Aye.

14 SECRETARY WEBB: Burton Aye. Five to zero.

15 CHAIRMAN BURTON: Congratulations.

16 State Energy Resources Conservation and  
17 Development Commission, Dr. Arthur Rosenfeld.

18 Any relation to Harvey?

19 DR. ROSENFELD: No, it's spelled differently.

20 CHAIRMAN BURTON: Senator Bowen.

21 SENATOR BOWEN: Members, I would like to  
22 introduce to you Dr. Art Rosenfeld, one of my true heroes. If  
23 you want to know how many energy efficient refrigerators it  
24 would take to displace an entire new power plant, this is the  
25 guy you want to ask.

26 Dr. Rosenfeld is a Berkeley graduate, has a Ph.D.  
27 in physics, and started out to have a career in particle physics  
28 until the oil crunch hit in the early '70s, and his career took



1 a strange and, for the State of California, very fortunate turn.  
2 He began investigating energy efficiency, and particularly the  
3 claims of some fairly whacky folks that you could actually  
4 reduce the amount of energy you needed just by changing the way  
5 you built buildings and lit lighting. That actually turned out  
6 to be true.

7 I am delighted to have Dr. Rosenfeld's expertise  
8 available to this state as we deal with the kinds of things that  
9 he's spent many years studying.

10 DR. ROSENFELD: Thank you, Senator Bowen.

11 CHAIRMAN BURTON: Thank you, Doctor.

12 Why don't you just briefly give us how you see  
13 the role of the Energy Commission in what's going on today.

14 DR. ROSENFELD: Thank you. I'll give you my view  
15 of my role on the Energy Commission. We have Commissioners with  
16 a variety of credentials, and I'm the only scientist-engineer.  
17 So, that's where I've been putting my efforts.

18 In particular, most of my credentials, as Senator  
19 Bowen said, have been on what's called the demand side of the  
20 meter, learning how to build buildings more efficiently,  
21 appliances more efficiently.

22 And as you may know, California has a wonderful  
23 record of energy efficiency since 1974, when we sort of woke up  
24 to all this. Per capita in buildings, our energy use is down by  
25 45 percent, so that if we hadn't done all that, we would have  
26 like another 50 percent of power supply needed to run our  
27 buildings.

28 Right now, however, what I am pushing is,

1 obviously, that we're focusing on the electricity shortage, and  
2 the specific thing that I'm working on very hard goes like  
3 this. When we started playing with restructuring, we allowed  
4 wholesale prices to go up and down as demands requires, so that  
5 electricity on the wholesale market may be 20 times as expensive  
6 at 3:00 o'clock on a hot afternoon as it was 12 hours before  
7 that. But we froze retail prices in the old-fashioned method of  
8 the 20th Century, where you read the meter only once a month;  
9 and you were completely unaware of the time fluctuations of  
10 electricity.

11 So, what we would like to have is that buildings  
12 and industry would respond to high prices. What we actually  
13 have is an archaic situation in which, although the prices are  
14 known, and they're on the web, you don't get any reward for  
15 saving at real-time prices. So, we have this strange situation  
16 in which people can keep track of NASDAQ, or Standard & Poor, or  
17 Dow-Jones on the web and respond immediately, but they could  
18 also keep track of real-time prices and nobody responds at all.

19 What we have to do is to make real-time prices  
20 available to buildings. Let me, to put this in context, make  
21 the following point.

22 Buildings use two-thirds of all electricity in  
23 California. So, basically the way buildings goes is the way the  
24 state goes. Half of all that on a hot afternoon goes to air  
25 conditioning. So, the important thing is to have air  
26 conditioning: a, be efficient, more efficient than it is now;  
27 and secondly, respond to prices.

28 When I got here, the first thing I did was to

1 talk to my friends in the utilities, and we ran some very  
2 encouraging experiments in which we pretended that the buildings  
3 did see price. And when the price of electricity went up in the  
4 middle of the afternoon, the thermostat automatically turned up  
5 four degrees, the building slowly heated up four degrees.  
6 Almost nobody noticed. After four hours, we had ended up saving  
7 30 percent of the air conditioning load, on the average, and  
8 that worked in experiments in Sacramento and in Los Angeles.

9 So, now the problem is to get that implemented so  
10 that we have real-time pricing, real-time meters in buildings so  
11 that the people will be rewarded for doing that in real time.  
12 With that, we should be able to, this summer and next summer,  
13 save something like 2,000 megawatts of badly needed peak power.

14 So, that's the sort of thing where I think I can  
15 contribute. Thank you.

16 CHAIRMAN BURTON: I've talked to some of the  
17 business communities and others about this.

18 What would it cost? With new buildings, you  
19 could probably do real-time metering, as it were, fairly  
20 simply.

21 What would it cost, do you have any figure on  
22 like if we retrofitted?

23 DR. ROSENFELD: Sure do.

24 First of all, although eventually, and in 10  
25 years I'm sure that all the state, including residential  
26 properties, will have real-time meters, for the moment there are  
27 two classes. Of the state's 50,000 megawatts, a number which  
28 you all know, 8,000 megawatts are in buildings that already have

1 real-time meters. There are really big buildings and customers.

2 In the past, instead of responding to price,  
3 we've used what are called interruptable contracts, in which  
4 they got a 15 percent break on their electricity bill, in return  
5 for which they had to save energy when called upon during a  
6 crisis. That's become very unpopular because they got called on  
7 for many, many hours in the last year, and that program is in a  
8 shambles and is being basically discontinued.

9 So, those customers, it costs very little to give  
10 them real-time prices and let them respond as they wish in  
11 real-time.

12 The group you're really asking about is the  
13 following. One-half of one percent of buildings, 40,000 meters,  
14 are now, I would say, low hanging fruit. They are medium size  
15 buildings. They've never seen real-time prices. They've never  
16 experimented with thermostat control and dimming lights.

17 Forty thousand meters will probably cost around  
18 \$50 million. And the savings from that are probably a matter of  
19 a month or less. The reason I say that is, electricity is so  
20 elastic in its demand that the ISO tells us that everytime you  
21 cut demand by one percent, the price for everybody goes down by  
22 five to ten percent. So, if you just do a little bit of good  
23 for the actual participants, you also help all of California's  
24 electricity bill enormously.

25 But the actual answer to your question is, 40,000  
26 meters are going to cost like \$40 million.

27 CHAIRMAN BURTON: You're pretty good at physics.  
28 How is your math? What does that go to per meter?



1 DR. ROSENFELD: A thousand dollars a meter.

2 CHAIRMAN BURTON: So, that's cheap. It's cheap  
3 if you're saving --

4 DR. ROSENFELD: Let me amplify on cheap.

5 CHAIRMAN BURTON: Inexpensive?

6 DR. ROSENFELD: The ISO, California's  
7 Independent Systems Operator, has a program to reward people who  
8 conserve when they call on them. For a typical building, the  
9 smallest building that I want to go down to, the savings would  
10 probably be \$10,000 to \$20,000 a summer, and the meter only cost  
11 a thousand dollars.

12 So, by cheap, in fact, Senator Burton, you mean  
13 real cheap.

14 CHAIRMAN BURTON: And it's no problem for the  
15 utilities to be tied into that? In other words, you take my  
16 meter and replace it with a real-time meter?

17 DR. ROSENFELD: The utilities are going to have  
18 to scramble in their back offices to accommodate signals coming  
19 from 20,000 or 30,000 new telephone lines, or whatever, but it's  
20 something they can do by this July if they put their minds to  
21 it.

22 CHAIRMAN BURTON: Thank you.

23 Senator Johnson.

24 SENATOR JOHNSON: Several questions. First of  
25 all, what is your expectation of the kinds of shortfalls in  
26 electricity that we may face this summer? And how do you  
27 account for the difference in projections from the Energy  
28 Commission and the ISO?

1 DR. ROSENFELD I think I'm not an expert in  
2 differences between the ISO and the Energy Commission.

3 My general impression is, this summer is going to  
4 be touch and go. If everything goes right, and the weather is  
5 nice, we might scrape through. Things usually don't go right,  
6 and the weather might be bad, and we're going to have outages.

7 SENATOR JOHNSON: Isn't that one of Murphy's  
8 laws? If things can go wrong --

9 DR. ROSENFELD: Yes, sir, they will.

10 SENATOR JOHNSON: What's this about rolling  
11 resistance of tires? What's the point?

12 DR. ROSENFELD: That's not electricity, but we'll  
13 take a break from electricity.

14 That's a real interesting story. It goes like  
15 this, that tires on new cars are pretty high tech. The car has  
16 to conform with the CAFE standards, and so the manufacturer's  
17 willing to buy the best tires he can.

18 These tires, however, are not labeled by rolling  
19 resistance. And there was an attempt under the early days of  
20 the Clinton administration to get them labeled, but that  
21 failed. So, it turns out that after 50,000 miles, your tires  
22 wear out, and you drive into some wholesaler like Tire  
23 Discounts, or whatever, and you get some tires to fit your car.  
24 And nobody tells you that those tires have 20 percent worse  
25 rolling resistance than new tires. And they cost about five to  
26 ten dollars a set of tires less, so maybe you save 20 bucks.

27 But when you roll out of that shop, your miles  
28 per gallon is down by five percent, but it's only two-thirds of

1 the cars that are running on used tires, so in fact for the  
2 fleet, it's a three percent effect. That's a huge, huge waste.

3 It turns out that if you put the extra \$20 into  
4 the tire, and saved all the gallons for the remaining 100,000  
5 miles, you would be paying -- you would be saving gasoline at  
6 twelve cents a gallon, which is a hell of a lot better than  
7 paying a \$1.20 for it at the pump.

8 In terms of the total amount of gasoline supply,  
9 it's about twice what might come to the U.S. National Wildlife  
10 Refuge if we drill there.

11 And so, my interest in this is, the federal  
12 Congress failed because of the power of actually B.F. Goodrich  
13 to get labels in place. But I want to talk to Senator Bowen  
14 and some friends about getting -- requiring labels in  
15 California.

16 SENATOR JOHNSON: With respect, that I don't  
17 agree with you. You're looking at one factor. The rolling  
18 resistance, the pressures that the tire needs to produce that  
19 kind of rolling resistance has impact on ride and all sorts of  
20 other issues. To isolate out and say we're just going to talk  
21 about the rolling resistance on tires and the effect on gasoline  
22 mileage, I'm not sure I agree with you.

23 Final point, there is in my district, and I noted  
24 that you made mention of it in your materials that you submitted  
25 to Committee, the proposed restart of a plant in Huntington  
26 Beach. Do you recall that?

27 DR. ROSENFELD: Yes, sir.

28 SENATOR JOHNSON: There is an issue that has

1 arisen with respect to the potential relationship between fully  
2 licensed discharges from the Orange County Sanitation District,  
3 an outfall that goes some four miles off shore, and the presence  
4 of the plant, and the potential relationship between those two  
5 facilities with the high bacteria counts on the beach that have  
6 closed the beaches a number of times in the last couple of  
7 years.

8 My question is, there's going to be study  
9 conducted by the sanitation district to determine if there is,  
10 in fact, some relationship between those two facilities and this  
11 problem on the beach. Senator Sher has, in a bill that is  
12 moving at this point, funding for a study to be conducted  
13 contemporaneously to see if there is, in fact, some  
14 relationship, what can and ought to be done about it.

15 I'm interested in your reaction to that  
16 suggestion.

17 DR. ROSENFELD: It would be lovely, of course, if  
18 there were no pressure in time. We could wait on the siting  
19 until that study is done.

20 In fact, we are on a 60-day track. There clearly  
21 is --

22 SENATOR JOHNSON: My question, sir, is separate  
23 and distinct from the fast tracking of the plant itself, and  
24 rather, focused on the question of a contemporaneous study to  
25 look at if there, in fact, is a problem with this relationship  
26 between the two facilities, what can be done to deal with that,  
27 rather than waiting until that study is finished, and maybe the  
28 plant's on line, and then we say, "Oh, my gosh, yes, there is a



1 connection," and start from square one to devise a solution.

2 Doesn't it make more sense to be looking at  
3 potential solutions contemporaneously?

4 DR. ROSENFELD: Senator Johnson, I'm pretty much  
5 aware of this problem. I'm not sure how much I should discuss  
6 it here because I am on the siting committee.

7 I can only say that if it turns out that there is  
8 a connection, the applicant has all ready stated that it expects  
9 to step in to remedy the situation.

10 But I don't think I better talk about it any more  
11 simply because of my position on the siting committee.

12 CHAIRMAN BURTON: Is there some national security  
13 thing involved in this?

14 MR. LARSON: Steve Larson from the Energy  
15 Commission.

16 Mr. Rosenfeld is the sitting member, the  
17 presiding member.

18 CHAIRMAN BURTON: Right, I understand all that.  
19 But we got some national security thing at stake?

20 MR. LARSON: Of course not.

21 The only question is in terms of his comments on  
22 the case which he's hearing as a judge.

23 SENATOR JOHNSON: I'm sorry. Let me try again.  
24 I'm not asking for a comment on the case. I'm not asking for a  
25 comment on fast-tracking the application.

26 Clearly, the folks who operate this plant and who  
27 are seeking to restart a couple of generators there are willing  
28 to run a considerable financial risk to have the dual tracking

1 of the construction and the application process. I'm not asking  
2 for a comment about that.

3 I'm asking a separate, distinct issue. Doesn't  
4 it make sense for the State of California to, at the same time  
5 the sanitation district study is going forward, see if there's a  
6 connection, to conduct our own study to determine what, if  
7 anything, ought to be the solution, if there is a relationship  
8 established? That's all.

9 And I'm not in any way asking you to comment on  
10 the application that's presently before you. I'm just saying,  
11 do you think it would be a good idea to have that kind of a  
12 study?

13 DR. ROSENFELD: You bet, and the only thing I'm a  
14 little bit confused about is, there is all ready a study coming  
15 out of UC Santa Barbara, I think it is, and it's a sanitation  
16 district study. So, I sort of thought that two current studies  
17 was going to do the trick.

18 SENATOR JOHNSON: The studies that are planned  
19 and haven't begun yet are to look at -- and I apologize, Mr.  
20 Chairman. I don't mean to take up a whole afternoon on this --  
21 to determine if there's a relationship. If they conclude that  
22 there is a relationship, then, absent further action by us,  
23 we're left at square one at that point.

24 That's all, Mr. Chairman.

25 CHAIRMAN BURTON: Senator Vincent.

26 SENATOR VINCENT: I was looking back, and I was  
27 very impressed with Dr. Rosenfeld's educational background and  
28 the places he's been.

1           With those in mind, when I think about facilities  
2 and energy, I have a different concept than most of the people  
3 here. I think about things, and I know that Senator Bowen went  
4 to Michigan State. Then I see your University of Chicago  
5 credential in 1954.

6           So, let me ask you, does this make sense to you,  
7 or does this sound like energy facilities: Alonzo Stagg,  
8 Soldiers Field. Do you relate to those?

9           DR. ROSENFELD: I sure do. I chained my bike to  
10 the fence at Stagg Field every day for ten years in the snow.

11           CHAIRMAN BURTON: Well, I'll tell you how old I  
12 am. I know the Wisconsin Fight Song used to be "Run the Ball  
13 Clear Around Chicago."

14                           [Laughter.]

15           CHAIRMAN BURTON: Before Hutchins took them out  
16 of the Big Ten.

17           SENATOR VINCENT: Now it's "On Wisconsin."

18           CHAIRMAN BURTON: Right. Senator Knight.

19           SENATOR KNIGHT: No questions.

20           CHAIRMAN BURTON: Senator Karnette.

21           SENATOR KARNETTE: I lived in Chicago, but I  
22 didn't play. I had to work at the Furniture Mart. Bet you know  
23 that building.

24           I have a question. When you were talking about  
25 our summer, what's going to happen, and I agree with Senator  
26 Johnson that Murphy's Law will probably prevail, and we'll have  
27 all kinds of problems.

28           There is a bill. Senator Sher has a bill that

1 would allow us to help the state help in that way.

2 In what ways would that bill actually help?  
3 That's SB 5X. I don't know if you're familiar with it. But how  
4 would that help us work on conservation for the summer?

5 I think people are probably going to see rolling  
6 blackouts from what you've said and from what other people have  
7 said. So, how would that bill help?

8 DR. ROSENFELD: That's a fine question, because  
9 we thought about all the issues that are in 5X, because we've  
10 already been able to experiment with \$50 million worth of  
11 appropriations, which came from the earlier AB 970.

12 We believe that we can avoid a kilowatt for  
13 something like a hundred dollars; whereas, a new kilowatt  
14 installed, with transmission and distribution, is something like  
15 \$400. So, we believe we're like four times cheaper, a lot  
16 faster, and certainly environmentally a lot better.

17 And we've already got \$50 million dollars worth  
18 of contracts in place under AB 970. We're all geared up to do  
19 10 times that much under 5X.

20 We expect to work with thousands of buildings on  
21 thermostats, for example. We expect to do millions of white  
22 roofs, which each reduce the air conditioning load by 20 percent  
23 on the buildings. We intend to move off peak water and waste  
24 water pumping and put in more efficient pumps.

25 And I'm going to turn this around and say, what  
26 we need is that appropriation soon, because summer is coming.  
27 And we're all set to deal with it as soon as it's available.

28 SENATOR KARNETTE: I have another question, if I



1 might.

2 The problem with natural gas, I know that it's  
3 gone up. We didn't invest in natural gas drilling. There was a  
4 lack of it, at least from what I hear.

5 Was the CEC tracking this, the natural gas  
6 problem?

7 DR. ROSENFELD: I've seen CEC reports which are  
8 right up to date. Thankfully, drilling is way up. I mean,  
9 drilling was down to like 300 rigs as recently as six months  
10 ago, and it's like 900 rigs in the U.S. today.

11 So, we're behind where we should be, but yes, the  
12 drilling is way up. In a couple of years, but not probably by  
13 next year, we're going to have a lot more gas.

14 SENATOR KARNETTE: The forecast --

15 DR. ROSENFELD: I'm guessing it's 18 months, two  
16 year problem.

17 SENATOR KARNETTE: I know that you forecast  
18 earlier that we were going to have problems, but somehow, people  
19 didn't hear it. Do you want to comment on that?

20 DR. ROSENFELD: Listen, there are a lot of things  
21 that we know now. We should probably have voluntarily speeded  
22 up our siting procedures, for example, instead of waiting for  
23 the present crisis. But hindsight's always better than  
24 foresight.

25 SENATOR KARNETTE: Thank you.

26 CHAIRMAN BURTON: You say you have contracts on  
27 that. What kind of contracts do you enter into on the  
28 conservation?

1 DR. ROSENFELD: Oh, well, for example, just the  
2 very simplest one which I mentioned to Senator Karnette.

3 It turns out that if you're going to reroof your  
4 commercial building, which has a flat roof anyway, if you choose  
5 white instead of dark, which costs you nothing, you'll save 20  
6 percent of the air conditioning load.

7 But although it's a good idea, people just  
8 haven't been doing it. So, we've arranged with six regional  
9 offices to be in touch with the local roofing association, and  
10 we'll pay an average of ten cents a square foot incentive to the  
11 roofer if he will get the right color in place. This is an  
12 extremely effective way of saving peak power.

13 But that's just one example of five sorts of  
14 contracts that we're doing.

15 CHAIRMAN BURTON: I understand that the quickest,  
16 cheapest, and probably cleanest way to add power to do something  
17 is through the demand, but it seems to me that the taxpayers  
18 will be subsidizing maybe one of the wealthiest property owners  
19 in the nation to get him to do something. It doesn't matter  
20 what the hell color his roof is, because he's probably never  
21 been up there, and it would save him money in the long run. And  
22 we use taxpayers' money to subsidize him to do him, one, a  
23 favor; and two, kind of a no harm, no foul, but I guess that's  
24 like is the only way you can get it done or what?

25 In other words, to listen to you and do it, as  
26 opposed to showing them that they'll save maybe 20 percent on  
27 their energy bills, which should be a sufficient subsidy anyway.

28 DR. ROSENFELD: I can make two safe remarks. One

1 of them is yes, it's true that California's littered with things  
2 that have three-year payback that haven't been taken advantage  
3 of, and we're trying to stimulate them a little more.

4 The other one is, this will really result in  
5 market transformation. That is, once we get the first fifth of  
6 the roofs done with incentive programs, all the roofers will  
7 know that this is a good trick. The materials will be in all  
8 the lumber yards. In residential properties, white shingles,  
9 really white shingles, will appear. They were made in the  
10 1960s, so we know how to make them. And that sort of market  
11 transformation eventually helps everybody.

12 CHAIRMAN BURTON: It's like, someone came in to  
13 see me, and it was like not megawatt, was it begawatt, or  
14 something.

15 Anyway, they wanted, again, it was like have the  
16 taxpayers give them money to conserve, which saves them money.  
17 But they wanted us to pay to entice them to do something that,  
18 on a sound business basis, they should have done anyway because  
19 it would save them 20 percent. Boggles the mind.

20 Witnesses in support, briefly.

21 MR. WHITE: Thank you, Senator Burton, Members  
22 of the Committee.

23 John White, representing the Clean Power  
24 Campaign, the Sierra Club, and the Natural Resources Defense  
25 Council.

26 We are thrilled to be here in support of Art  
27 Rosenfeld's confirmation. I think he is extraordinarily well  
28 qualified, as his testimony to this Committee has demonstrated.

I think he is in a position to make an enormous contribution to the successful resolution of our energy problems.

We urge an aye vote.

MR. GLADFELTY: Mr. Chairman, Members, Paul Gladfelty, representing Lennox International.

We also believe that Dr. Rosenfeld would be a fine nomination as well.

MR. EDWARDS: Jon Edwards with the Professional Engineers in California Government.

We strongly support this appointment. Thank you.

CHAIRMAN BURTON: Witnesses in opposition, if any.

In support again.

MR. PERNELL: Robert Pernell. I'm wearing two hats today. I'm also with the CEC, the California Energy Commission, and with the California State Council of Laborers.

I've talked to my colleagues in labor, and they are in support of Commissioner Rosenfeld's confirmation.

I'm also here, he's a welcome addition to the Commission, so I would urge your support.

Thank you.

CHAIRMAN BURTON: Any opposition? Hearing none, moved by Senator Vincent. Call the roll.

SECRETARY WEBB: Senator Karnette.

SENATOR KARNETTE: Aye.

SECRETARY WEBB: Karnette Aye. Senator Knight.

SENATOR KNIGHT: Aye.

SECRETARY WEBB: Knight Aye. Senator Vincent.



1 SENATOR VINCENT: Aye.

2 SECRETARY WEBB: Vincent Aye. Senator Johnson.

3 SENATOR JOHNSON: Aye.

4 SECRETARY WEBB: Johnson Aye. Senator Burton.

5 CHAIRMAN BURTON: Aye.

6 SECRETARY WEBB: Burton Aye. Five to zero.

7 CHAIRMAN BURTON: Congratulations.

8  
9 [Thereupon this portion of the  
10 Senate Rules Committee hearing was  
11 terminated at approximately 2:30 P.M.]

12 --ooOoo--  
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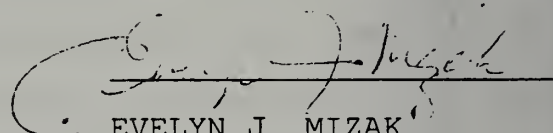
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I further certify that I am not of counsel or attorney for any of the parties to said hearing, nor in any way interested in the outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 5<sup>th</sup> day of March, 2001.

  
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STATE OF CALIFORNIA

HEARING

STATE CAPITOL

ROOM 3191

SACRAMENTO, CALIFORNIA

WEDNESDAY, MARCH 14, 2001

1:32 P.M.

Reported by:

Evelyn J. Mizak  
Shorthand Reporter



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SENATOR BETTY KARNETTE

SENATOR WILLIAM KNIGHT

SENATOR ED VINCENT

MEMBERS ABSENT

SENATOR ROSS JOHNSON, Vice Chair

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GREG SCHMIDT, Executive Officer

PAT WEBB, Committee Secretary

NETTIE SABELHAUS, Consultant on Governor's Appointments

SUSIE SWATT, Consultant to SENATOR JOHNSON

TIM SHELLEY, Consultant to SENATOR KARNETTE

CHRIS BURNS, Consultant to SENATOR KNIGHT

CAROLYN ROBINSON, Consultant to SENATOR VINCENT

ALSO PRESENT

GEOFFREY F. BROWN, Member  
Public Utilities Commission

SENATOR JACKIE SPEIER

ASSEMBLYMEMBER KEVIN SHELLEY





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P-R-O-C-E-E-D-I-N-G-S

--ooOoo--

CHAIRMAN BURTON: Governor's appointees appearing today, Geoffrey Brown, Member of the Public Utilities Commission.

Come on up, Jeff.

Senator Speier was hopeful to be here to introduce Commissioner Brown. Unfortunately she was unable to be present.

We have your statement. Why don't you just make a comment for the record, then if there's questions.

MR. BROWN: Thank you very much for hearing me at an early date.

I would like first, before I get started, if I could take the privilege of introducing my wife, Ditna, and my daughter, Miranda. Miranda's a student at the University of California. She's finishing her Ph.D. and getting married pretty soon, and she came up here today, took time off.

I'd also like to thank the members of my Commission that have come here, fellow Commissioners. I see Carl Wood. There's members of the staff here that are too numerous to recite, but they came to offer some moral support and technical assistance as I went around and talked to you.

And of course, I'd like to thank the Governor, of course, for giving me this great honor and this great responsibility.

I have served now as an unconfirmed Commissioner for almost two months. I came to the Commission at a time of



1 great crisis in the electricity market in California. With a  
2 little allowance for the learning curve, I have participated in  
3 decisions that go to the ability of California utilities not  
4 just to operate in a reliable manner, but their ability to  
5 operate at all. This is no small responsibility.

6 And in my short and conditional tenure, I've also  
7 been involved in the telecommunications issue, particularly the  
8 effort to establish competitive markets and long distance and  
9 local telephone service. And I assume that in the not too  
10 distant future, the Commission will also be deeply involved in  
11 water regulation.

12 If the California Public Utilities Commission is  
13 to do its job of assuring the delivery of essential services and  
14 protection of California consumers, Commissioners must be  
15 available to all views, whether they are from rate payers,  
16 utility workers, or the regulated industries themselves.

17 In the time that I have been on the Commission,  
18 I've endeavored to open my door to all concerned parties,  
19 including individual rate payers. As a Commissioner, I intend  
20 to make myself available to Californians throughout the state  
21 and to go throughout the state to listen, to explain the work of  
22 the Commission, and to listen to what their feelings are about  
23 the work of the Commission. My accessibility, I believe, will  
24 better inform my work at the PUC and permit me to forge policies  
25 that serve the greater good, rather than any given parochial  
26 interest.

27 As a Commissioner, one must give one's self  
28 completely to the extraordinary complex body of subject matter.





1 The job requires a willingness to master issues that are both  
2 voluminous and complex, and the humility to seek counsel on  
3 matters where you are uninformed.

4 As a Commissioner, one must be a good  
5 adjudicator. One must know how to evaluate the strength of the  
6 case, and to insist that the conclusions of law match the facts  
7 presented. This often requires that one decline to do what one  
8 wants to because, for whatever reason, a case has not been  
9 proven.

10 If I have any bias at all, it is that due  
11 process, procedural and substantive, be the order of the day.  
12 Formalities that the court observe and the Commission observe  
13 are often too numerous and restrictive. Nonetheless, I hope  
14 that at the end of the day, parties who come before the  
15 Commission, whoever they may be, will say that they got a fair  
16 hearing with adequate time to prepare and to present their  
17 case. If this means that the Commission's actions are mediated  
18 by procedural fairness, I believe it is well worthwhile in the  
19 long run.

20 After 30 years as a lawyer, after 22 years as an  
21 administrator of a major department of government -- and I won't  
22 say which one, Senator -- and as a law school adjunct professor,  
23 I believe I have the experience that will ultimately redound to  
24 the benefit of the public.

25 I'm anxious to serve the state at a critical time  
26 in its history. It is obvious that we must keep the lights on,  
27 but we must do more than that. California must be  
28 environmentally whole, and its utility infrastructure must be



1 intact and efficient if its citizens are to prosper.

2 To those efforts and to those ends I dedicate  
3 myself unstintingly to a fair, efficient, and accessible market  
4 for basic utilities.

5 Thank you very much. I'll be glad to take any  
6 questions.

7 CHAIRMAN BURTON: We have Senator Speier, and I  
8 thought I saw Kevin Shelley.

9 Senator Speier, we started prior to you.

10 SENATOR SPEIER: You probably started promptly.

11 CHAIRMAN BURTON: Exactly, and you can be the  
12 after main event.

13 MR. BROWN: I'm very grateful that you are here,  
14 Senator Speier.

15 SENATOR SPEIER: Mr. Chairman and Members, it's  
16 really a privilege to be able to do my introduction at the end  
17 of the statement made by Commissioner appointee Jeff Brown. As  
18 you can tell by his statement, I think he is bringing to bear  
19 his many years as the Public Defender in San Francisco and his  
20 legal background to the Commission so that fairness and equity  
21 will be the watch words of his tenure there.

22 I can also tell you, having talked to many of the  
23 utilities in the last couple of weeks -- believe it or not, they  
24 still have issues before the Utilities Committee -- they are  
25 astonished at the energy level of the Commissioner and his  
26 interest in wanting to get his hands dirty very quickly in terms  
27 of addressing the many issues that are before the Commission.

28 So, not only is there someone who is going to be



1 fair and equitable, there's someone who has a lot of energy to  
2 bring to this office, no pun intended, and a commitment, I  
3 think, to do a very good job.

4 CHAIRMAN BURTON: I want to ask a question that  
5 surprised me. I'm so sick of electricity and energy.

6 I want to ask you about telephone area codes.

7 MR. BROWN: Yes. In fact, I get more questions  
8 about that than I do about energy.

9 CHAIRMAN BURTON: I'll tell you, if you spend any  
10 time down in L.A., you get a ton of them.

11 I'm just reading our area code, 415. It says  
12 that there's 7.7 million usable numbers in our area, which is  
13 basically -- what would that be -- just San Francisco and Marin?

14 MR. BROWN: San Francisco, Marin, part of  
15 northern San Mateo County, just a little smidgen there, and then  
16 that's it.

17 CHAIRMAN BURTON: So there's 7 million numbers.  
18 Half of them are not in use; 22 million numbers in the 415 area  
19 code.

20 How the hell can you have 7.7 million numbers,  
21 and then 22 million numbers available? It seems weird.

22 In other words, companies hold these deals. Is  
23 there any way to have them on either a use-it-or-lose-it, or get  
24 those back?

25 They say that one of the reasons for the  
26 explosion in area codes are really the faxes and the cell  
27 phones, that kind of stuff.

28 MR. SCHMIDT: It should be 2.2 million.





1 CHAIRMAN BURTON: Two point two, okay. A decimal  
2 here, a decimal there; it doesn't matter, I guess.

3 Is there any way we can get some of those back?  
4 Or, if it's going to be a cell phone, then let the ones keep it  
5 where they are now, but let the new ones pick it up.

6 I imagine San Francisco will always be 415. I  
7 don't think we'll ever have enough to split it. But L.A. went  
8 from 213, then 818, then 310, to 323, and probably going  
9 somewhere else.

10 SENATOR KARNETTE: There's 562.

11 CHAIRMAN BURTON: Yes, 562 where Senator Karnette  
12 is.

13 These guys are just sitting on a bunch of  
14 numbers, and they don't use them. Do you guys have the  
15 authority?

16 MR. BROWN: Yes, we do have the authority, and we  
17 have a whole section of our telecommunications effort devoted to  
18 area codes. It's a big issue.

19 There's a lot of things that are happening that  
20 are beneficial. We have what we call conservation; area code  
21 conservation, where we -- for example, if numbers are given out  
22 by a carrier, they're not given out in blocks of ten thousand.  
23 They're given out in blocks of a thousand so that they don't  
24 become lost.

25 There's been a voluntary system down in the 310  
26 area, as I understand it, where competitors can draw from a  
27 pool. In other words, there's a common pool of numbers.

28 CHAIRMAN BURTON: What are they going to do with



1 ten thousand numbers? Who gets those?

2 MR. BROWN: Well, if you're a big enough  
3 business, I guess you can do that. In other words, a company  
4 could have that amount of numbers, a telephone company.

5 CHAIRMAN BURTON: Pretty big business.

6 MR. BROWN: Yeah.

7 The other thing is, for example, one of the  
8 things that is occurring is that there is a squeeze out.  
9 There's a real effort to squeeze out those unused, those dormant  
10 numbers.

11 And finally, I think there's number portability.  
12 For example, if you lived in Marin County in 1950, you would  
13 have, what, Glencourt. You couldn't take that to San Francisco  
14 if you moved back to San Francisco. Today you have portability  
15 within that area code, which contributes to conservation.

16 So, the name of the game is conservation. We  
17 could have had, if the Commission didn't embark upon its  
18 business, 40 area codes. Now we have what in California, 25? I  
19 mean, I think that there's a major effort on the part of the  
20 carriers as well as the Commission to see whether we can just  
21 restrict the numbers of telephones.

22 CHAIRMAN BURTON: I'm trying to think: 415, 707,  
23 916, 209. That took you all the way down to the Tehachapis, and  
24 then 213, 805, 619, and that was it.

25 Mr. Shelley was here and wanted to make a few  
26 comments also.

27 ASSEMBLYMEMBER SHELLEY: Thank you very much,  
28 Mr. Chairman and Members.



1           Just on behalf of Mr. Brown, I'd like to, in  
2 essence, as a constituent, introduce him to the Committee. I  
3 know he's done that quite equitably himself, but simply to  
4 mention the unusual fact that, notwithstanding Mr. Brown's  
5 initial election in a contested race in 1978 in San Francisco,  
6 albeit with 75 percent of the vote, since that time for every  
7 four-year stint he has been up for election as Public Defender  
8 unopposed. And as the Pro Tem and Sheriff certainly knows, and  
9 those of you who follow San Francisco politics, that is a rather  
10 extraordinary feat. I think it is a tribute to the respect with  
11 which he is held by his colleagues, his staff, his co-workers,  
12 and certainly the people of San Francisco. And it should not be  
13 ignored, and in fact, should be recognized.

14           I'd also like to simply point out that in this  
15 particularly delicate period that the PUC is involved in now  
16 involving the energy issue, Mr. Brown's skills as a negotiator  
17 and a mediator, skills well regarded and well respected in San  
18 Francisco and beyond, will be well applied to the matter of  
19 negotiations involving contracts and the like, since that is an  
20 issue that certainly the PUC could, perhaps, gain that extra  
21 additional support.

22           CHAIRMAN BURTON: Thank you very much.

23           MR. BROWN: Thank you. I appreciate Assemblyman  
24 Shelley coming in and saying good things about me.

25           CHAIRMAN BURTON: Senator Knight.

26           SENATOR KNIGHT: We don't have the 805 any more.  
27 We gave that up, and it's all over to the west. We've 760, 661.

28           CHAIRMAN BURTON: You only got two?





1           SENATOR KNIGHT: I don't remember the others. I  
2 got a good sized area that goes from Santa Clarita to Bishop,  
3 Tehachapi to Needles. It covers a lot of ground.

4           CHAIRMAN BURTON: You ought to be a pilot. You  
5 could fly it.

6           SENATOR KNIGHT: Hey, you know, if somebody would  
7 give me an airplane, I would sure appreciate it. They're a  
8 little expensive to own, but I could still manage.

9           I'd like you to indicate whether the PUC should  
10 increase the rates to cover the wholesale cost of power. And if  
11 you believe it should not, how do you propose to cover the  
12 excess of cost over rates?

13          ASSEMBLYMEMBER SHELLEY: I'm sorry, I have to  
14 leave now. Pleasure being here.

15                               [Laughter.]

16          MR. BROWN: Senator, you asked the 64 dollar  
17 question.

18           The first thing I think we have to do is, we have  
19 to really stop the bleeding. And utilities are really bleeding  
20 at the present time.

21           I think the only way that rates can be avoided is  
22 that if the price of natural gas decreases, if there's more  
23 hydroelectric power, and perhaps this QF issue is resolved so  
24 that the payments that the utilities make to the QFs are  
25 reduced. And I believe Assemblyman Battin has a bill to that  
26 effect.

27           I mean, if we add, if we conserve and add, we  
28 might be able to avoid it. But we are faced with very, very



1 difficult times.

2 I mean, you know, customers are buying power at  
3 less than what the cost is for the utilities. And that bleeding  
4 that's going on is really piling up tremendous debt which has to  
5 be handled. You know, we can take them out of debt for a while,  
6 but the question is, can we drop that spread between cost and  
7 the purchase by customers.

8 SENATOR KNIGHT: But as a follow-on, how does  
9 buying the grid help us in that arena?

10 MR. BROWN: It helps only in this sense, as I  
11 understand it. It allows the utilities that sell the grid to  
12 have some cash in order to pay off an accumulated debt.

13 What it doesn't do is stave the bleeding. So,  
14 the question then is whether the State of California can manage  
15 the grid. I mean, I assume that it can, or it wouldn't have  
16 undertaken it.

17 But we have to deal with the long-term problem,  
18 Senator. Your question implies that, and you're absolutely  
19 right about that.

20 But it's going to take a very happy coincidence  
21 of those factors in order to avoid a rate increase.

22 SENATOR KNIGHT: I don't see how you can get out  
23 of it.

24 MR. BROWN: We're going to have to take a look at  
25 that.

26 CHAIRMAN BURTON: Senator Vincent.

27 SENATOR VINCENT: No questions.

28 CHAIRMAN BURTON: Senator Karnette.



1           SENATOR KARNETTE: I'd like to follow-up a little  
2 bit on what Senator Knight questioned.

3           I want to know if you think it would help if we  
4 combined, we'd be better served if we had one agency overseeing  
5 things, rather than so many?

6           MR. BROWN: Well, initially we did have one  
7 agency. We had the PUC doing what the Energy Commission does  
8 now and also what it does today. Then we split it off in the  
9 Jerry Brown administration, as I remember.

10          CHAIRMAN BURTON: Actually, I think it was  
11 Reagan.

12          MR. BROWN: That's right, because the first  
13 chairman was Bob Moretti.

14          So, we split it off. Now, the problem for the  
15 PUC is, it's got a lot of work just doing what it does. If you  
16 had to take on the work of the Energy Commission, it might lose  
17 its focus.

18          What I would suggest when we talked about this is  
19 that we have kind of a coordinating agency or council to  
20 coordinate this activity so we don't one agency doing one thing,  
21 and another agency doing something else. We're all in sync with  
22 one another.

23          I think coordinating policy is real hard. That  
24 was what Commissioner Bilas really suggested recently. One of  
25 the problems is that we don't have -- it's very hard to have a  
26 coordinated and coherent policy if you spread the  
27 responsibility.

28          CHAIRMAN BURTON: Witnesses in support.





1 Witnesses in opposition.

2 Pleasure of the Committee.

3 SENATOR KARNETTE: Move it.

4 CHAIRMAN BURTON: Call the roll.

5 SECRETARY WEBB: Senator Karnette.

6 SENATOR KARNETTE: Aye.

7 SECRETARY WEBB: Karnette Aye. Senator Knight.

8 SENATOR KNIGHT: Aye.

9 SECRETARY WEBB: Knight Aye. Senator Vincent.

10 SENATOR VINCENT: Aye.

11 SECRETARY WEBB: Vincent Aye. Senator Johnson.

12 Senator Burton.

13 CHAIRMAN BURTON: Aye.

14 SECRETARY WEBB: Burton Aye. Four to zero.

15 CHAIRMAN BURTON: Congratulations.

16 MR. BROWN: Thank you. I appreciate the courtesy  
17 all of you have extended in coming to your offices and having a  
18 chance to talk to you.

19 [Thereupon this portion of the  
20 Senate Rules Committee hearing was  
21 terminated at approximately 1:52 P.M.]

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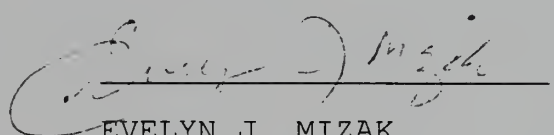
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4 SENATOR BETTY KARNETTE

5 SENATOR WILLIAM KNIGHT

6 SENATOR ED VINCENT

7 MEMBER ABSENT

8 SENATOR ROSS JOHNSON, Vice Chair

9 STAFF PRESENT

10 GREG SCHMIDT, Executive Officer

11 PAT WEBB, Committee Secretary

12 NETTIE SABELHAUS, Consultant on Governor's Appointments

13 BILL BAILEY, Consultant to SENATOR JOHNSON

14 TIM SHELLEY, Consultant to SENATOR KARNETTE

15 CHRIS BURNS, Consultant to SENATOR KNIGHT

16 CAROLYN ROBINSON, Consultant to SENATOR VINCENT

17 ALSO PRESENT

18 JERRY L. HARPER, Director  
19 Youth Authority

20 SENATOR RICHARD POLANCO

21 STEVE WHITE, Inspector General

22 ROY MABRY  
23 California Association of Black Correctional Workers

24 LOUIE ADAME, State Vice President  
25 California Correctional Peace Officers Association

26 RICHARD RIOS, Vice Chair, Bargaining Unit 3  
27 California State Employees Association  
28

1 RAUL GALINDO, Vice Chair  
Youthful Offender Parole Board

2  
3 MICHAEL FLORES, Member  
Fish and Game Commission

4 JOHN McCAULL, State Legislative Director  
5 National Audubon Society

6 JIM KELLOGG  
7 Building and Construction Trades Council and  
Northern California Outdoor Sportsman's Coalition

8 CHARLES RYAN  
9 National Wild Turkey Federation

10 JAMES R. OATES, D.D.S.

11 MARK HENNELLY  
12 California Waterfowl Association

13 JENNIFER ERICKSON  
14 National Wild Turkey Federation

15 BILL GEYER, Executive Director  
Resource Landowners Coalition

16 ROBERT P. HOUSTON  
17 East Bay Regional Park District

18 BILL ALLAYAUD  
19 Sierra Club California

20 ERIC MILLS, Coordinator  
Action for Animals

21 ALAN BERGER, Executive Director  
22 Animal Protection Institute

23 VIRGINIA HANDLEY  
24 The Fund for Animals

25 KAREN RAASCH  
26 California Federation for Animal Legislation  
27  
28

1 LAWRENCE WEISS  
2 Sonoma People for Animals  
3 ROSE LERNBERG  
4 Contra Costa Humane Society  
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P-R-O-C-E-E-D-I-N-G-S

--ooOoo--

CHAIRMAN BURTON: Jerry Harper, Director of the Youth Authority.

MR. HARPER: Good afternoon.

CHAIRMAN BURTON: Go ahead, please.

MR. HARPER: I'll make a very short opening statement.

I have been with the Youth Authority now as the Director for some ten months. And I come from Southern California by way of the Los Angeles County Sheriff's Department, where I served some 37 years, the last six years as the Undersheriff for Sheriff Sherman Block.

And in the year-and-a-half after the 37 years in the Sheriff's Department, I spent as a consultant and a teacher, traveling across the nation and overseas, teaching various subjects.

In May of last year, I accepted the job as the Director of the Youth Authority, and I'm very proud that I have done that. I've been associated with some wonderful people, and I'd like to continue that association and continue the momentum of some of the projects and things that we have under way.

That's all I have to say now.

CHAIRMAN BURTON: There's several concerns that some of the Members have, and me specifically, with what's been happening at the CYA. One of the most serious concerns is mental health treatment.

It's been noted that CYA needs to do a better job



1 of identifying the wards who need help, making sure that they  
2 get it, and not just medication but treatment.

3 The role in statute of the CYA is to rehabilitate  
4 youth, and many of us feel that hasn't been happening as it  
5 should. Wards with serious mental health problems are all too  
6 often mixed in with sex offenders and developmentally disabled.  
7 There's a question of the drug and alcohol programs.

8 And if we have these people not getting proper  
9 treatment, and then they get out, and they come back in the  
10 community, you might not see them again, but once they reach the  
11 age of 21, somebody's going to see them in state prison.

12 We are very, very concerned about the mental  
13 health aspects of what's going on there. If you might comment,  
14 we've had a ward who tried suicide at Preston. The psychologist  
15 has a caseload of 350 wards.

16 You yourself have stated that mental health is a  
17 patchwork of treatment programs, not standard, that there's gaps  
18 in resources, and no organized continuum of care.

19 How are you going to deal with this? What can  
20 you do with existing resources? Or are you going to ask the  
21 Governor or the Budget Committee for more resources to deal with  
22 this?

23 MR. HARPER: Let me start with the last one  
24 first.

25 The subject of mental health is something that we  
26 have made as a priority. Shortly after I became the Director,  
27 we took the senior staff to a session nearby, and we spent two  
28 days talking about the concerns, problems, issues in the Youth



1 Authority.

2 One of the primary concerns that we had at that  
3 time and still have is mental health. Of course, that covers a  
4 wide range of things. And we talk about mental health, as  
5 mental health per se, as sex offender treatment, and even to  
6 some extent as drug abuse treatment.

7 One of the answers has to be that we have to do  
8 everything within our own resources to identify the problems, to  
9 sort out the different populations. You mentioned, Senator,  
10 that we have some people mixed in who have mental health  
11 problems and sex offenders. Unfortunately, a number of our  
12 young people have both mental health and sex offender problems.

13 CHAIRMAN BURTON: We do not have trouble with  
14 mixing people with themselves. It's just mixing them with  
15 somebody else.

16 MR. HARPER: Right, I understand I just wanted  
17 to make that point clear. Some of these young people have  
18 multiple problems. That makes it much more difficult to deal  
19 with.

20 And you also mentioned suicide. We did have a  
21 tragedy within the last four weeks, and we have been looking at  
22 what we call Suicide Prevention Assessment and Response, and  
23 trying to harden that target in a number of ways.

24 The Governor in his budget has some 75 beds that  
25 would be for purposes of mental health treatment. Those beds  
26 would go at our Preston Institute for younger men.

27 And frankly, we have a category that may be  
28 relatively new to some of you. I'm not sure if you've heard of

1 the term, aggressively mentally health. It's a term that's  
2 being used more frequently across the nation.

3 We have been discussing that a lot in terms of  
4 what we can do about that, how we can deal with this particular  
5 special population. We believe that the 75 beds that are  
6 designated for us in the Governor's budget are going to help us  
7 deal with that particular population.

8 We also have in the Governor's budget some  
9 additional monies for what we call continuum of care. That is,  
10 we have a number of these young people who get out of the  
11 institutions and they need treatment or help once they get out.  
12 Parole Services provides that, and quite frankly, we haven't had  
13 enough money and enough resources to do that. The Governor's  
14 budget is also providing additional monies for that.

15 In the area of sex offenders, we have some 50  
16 beds that are being recommended in the Governor's budget, and  
17 those will help us also deal with actually a population of young  
18 men and women, but almost exclusively men, which is growing.

19 If we look at the change in the nature of the  
20 population over the last ten years with regard to the wards at  
21 the Youth Authority, I would have to say that we have had more  
22 young people who have showed up with mental health problems.  
23 More of our population, a higher percentage of our population,  
24 are sex offenders. And we also have a higher percentage of our  
25 people who are involved in gangs, which is also a different  
26 problem.

27 So, we're trying to deal with all these, and I  
28 think the Governor's budget is going to help us in that regard.

1 That's not to say that it does everything that needs to be  
2 done. I think it's an incremental, phased-in approach. We're  
3 going to have to measure that and see what the effects are.

4 CHAIRMAN BURTON: There was a management audit at  
5 Nelles Institution that there were a high level number of class  
6 closures due to what our staff says -- like, in a one-month  
7 period, there were 886 class periods cancelled due to, quote,  
8 "trade holds" which can mean anything from teacher shortage,  
9 security issues, et cetera.

10 That seems like hell of a lot of classes to be  
11 cancelled?

12 MR. HARPER: Yes, sir. A combination of reasons  
13 for that.

14 One of the reasons has to do with teachers and  
15 availability of substitutes as well as teachers. That is a  
16 problem for us.

17 One of the problems we have, particularly in  
18 Southern California, has to do with the disparity between the  
19 teachers' salaries and some of their fringe benefits and those  
20 in the public sector.

21 We have -- the Senator recently had a meeting  
22 with Mr. Morganstern over at the Department of Personnel  
23 Administration to bring his attention to this problem.

24 Some of those people -- or some of those classes  
25 were cancelled because we didn't have teachers available to  
26 teach the classes.

27 I should mention, though, that I think that you  
28 mentioned that that information came from the Office of

1 Inspector General.

2 CHAIRMAN BURTON: I just said it was an audit.

3 MR. HARPER: I think it was an OIG report.

4 I would say that that number of people, and that  
5 number of cancellations is a very serious problem, and that is  
6 unacceptable. That is something that we are dealing with.  
7 Obviously, we need some help on that.

8 The one issue I've dealt with, with the Senator,  
9 and I know he's dealing with the Governor's Office on that, and  
10 other aspects of it have to do with just some internal --

11 CHAIRMAN BURTON: Which Senator?

12 MR. HARPER: I'm sorry. I keep referring to him  
13 as the Senator. Senator Presley, sir, the Secretary.

14 CHAIRMAN BURTON: It's a great title, isn't it,  
15 Bob? Once you've got it, it's there for life.

16 MR. HARPER: Again, what I want to say is, that  
17 is unacceptable to us, and we are taking steps to make some  
18 strides to improve that. Part of it has to do with some  
19 management problems at the institution itself. We can't blame  
20 it all on teacher shortages. Certainly some of it is, and some  
21 of it, we have to get the teachers and the administration,  
22 security people, to work better together down there. And we  
23 have had several meetings on that. We're going to have some  
24 follow-up meetings on that.

25 So, I think the short answer is, I expect that to  
26 improve significantly.

27 CHAIRMAN BURTON: When our staff went down to the  
28 Nelles facility in January, they found out that there was a ward



1 in lockdown for 590 days who had, like, an 83 IQ.

2 Doesn't make a hell of a lot of sense to me.

3 MR. HARPER: There have been several wards, not  
4 quite with that lengthy stay, who've been brought to my  
5 attention.

6 CHAIRMAN BURTON: Isn't that just an easy way to  
7 deal with somebody? You may not have to do something for them  
8 by putting them in lockdown?

9 MR. HARPER: No, sir. I don't believe that  
10 that's an easy way of doing it.

11 CHAIRMAN BURTON: They don't have to do much.

12 MR. HARPER: Actually, you have to pay closer  
13 attention to them when they're in lockup than you do when  
14 they're on a living unit and when they're in the open dorm. So,  
15 it actually is more of a problem when we have young people in  
16 lockups for a whole lot of reasons.

17 One of the major efforts that we have had  
18 undertaken is a whole look at this, what we call 23 and 1. It's  
19 an umbrella for several terms that deal with the young men and  
20 women who are in lockup. Generally they are there because they  
21 are a danger to others. If we look at the statistics, and we  
22 look at the numbers, when I first came into the agency, first of  
23 all, we did not have good numbers. We didn't know how many  
24 people we had on lockdown.

25 One of the steps that we have taken is that we  
26 now know how many we have --

27 CHAIRMAN BURTON: Who had the job before you?

28 MR. HARPER: The Director before, my predecessor

1 was Director Zermeno, sir. And before him, Frank Alarcon.

2 CHAIRMAN BURTON: They must have done great jobs  
3 if they couldn't keep track of their people. That'd be the easy  
4 part of it; wouldn't it?

5 MR. HARPER: Well, the only comment I would say  
6 is that currently --

7 CHAIRMAN BURTON: You don't have to. It's a  
8 rhetorical question.

9 MR. HARPER: At any rate, we have been keeping  
10 track. We now have improved our computer base so that we can  
11 keep weekly track of the individuals, how long they have been in  
12 the lockup, whether they are on temporary detention or what we  
13 call special management unit, which is a different program but  
14 they're still in lockup.

15 Those numbers have been coming down. When we did  
16 finally get a good count on them, they were at about 800 or  
17 800-plus. Those numbers now are down into the mid-500s. As far  
18 as I'm concerned, still too high. I can't tell you what the  
19 bottom line number should be, but I can tell you that that is a  
20 major effort of ours. And we have probably spent as much time  
21 on that as any one subject -- as any other subject that we have,  
22 and we're going to continue to focus on that so that we don't  
23 have repeats like this.

24 CHAIRMAN BURTON: The budget's going to have 75  
25 new mental health beds. What's that do for a guy with a 350 to  
26 1 caseload?

27 MR. HARPER: I'm not quite sure I understand your  
28 question.



1 CHAIRMAN BURTON: I think that the psychologist  
2 at Preston who treated the ward who was trying to commit suicide  
3 has a caseload of 350 to 1. He's one; there's 350. So, even if  
4 you get the beds, what's that going to do to reduce --

5 MR. HARPER: I think it will help. It's not just  
6 that 75 beds, but it's also the 50 beds --

7 CHAIRMAN BURTON: But you're not doing anything  
8 about the caseload. In other words, it would seem more beds --

9 MR. HARPER: With the 75 beds, we also bring on  
10 more staff, so more psychologists, more counselors.

11 CHAIRMAN BURTON: All right, fine. Just a couple  
12 others.

13 Following up to the conversation that I had with  
14 Senator Presley and I forget whom, where I was just astounded  
15 that you have a nine to twelve-month drug treatment program.  
16 Then we find out that the program's only three hours a week,  
17 which means if you really want to stretch it out, you could do  
18 it one hour a week and maybe keep them in for three years.

19 It makes no sense to me. Never has since I heard  
20 about it.

21 I wonder what you're doing to look into that, as  
22 to how to shorten the period? I think, one, as I understood it  
23 from whoever it was, people were waiting to get in. They  
24 couldn't get in until somebody got out. And again as I  
25 understood it, which astounded me a bit, is that people couldn't  
26 get in, and then they were kept in CYA for longer periods of  
27 time than might be necessary because they couldn't complete this  
28 nine-month program.

1 I absolutely, and I say this to the Secretary, to  
2 you, I want something done about that program. I want the  
3 program shortened. It just make no sense to me to have, you  
4 know, an hour-and-a-half twice a week for nine months with other  
5 people waiting to get in. I don't know what hell else these  
6 kids are doing there.

7 But I would think that most of the treatment  
8 programs that I talked about, that were 21 to 28 days in length,  
9 you were in a program in one form or another, whether it was  
10 group, whether it individual counseling, whether it was an NA,  
11 PA, AA program, and that's what you did. And then the program  
12 lasts for between three to four weeks, and you're through with  
13 that part of the program. Then for the rest of your life,  
14 you're trying just not to partake in whatever got you into the  
15 program.

16 But if I don't see -- and this is for you,  
17 Mr. Secretary -- if I don't see a change in that program through  
18 this fiscal year, as far as I'm concerned, you can whistle next  
19 year about a budget because it ain't going to be there. This  
20 makes no sense to me.

21 I do not know much about much, but this is one  
22 area where I know a little bit about. And if there was time on  
23 everybody's hands, and nobody was waiting to get in, and  
24 nobody's time was extended because they couldn't get in because  
25 you had this long program -- no harm, no foul -- then who cares  
26 whether it works or not.

27 I think it's fiscally irresponsible, and I think  
28 that it clearly doesn't make a hell of a lot of sense to have

1 people waiting in line for a program that's been stretched out  
2 because we've always done it that way.

3 We've had that conversation, Jerry, so you don't  
4 need to respond. Proof of the pudding is going to be in the  
5 eating, not in what anybody says.

6 Couple things that some of the employees were a  
7 little bit concerned about is that some of the teachers, and I'd  
8 like comment on this, hired started working without the  
9 follow-up training in safety and security procedures, even  
10 though that's mandated by your policy. That's one.

11 Changes in the ward disciplinary process, that  
12 the staff hasn't been given the training to either understand or  
13 implement it.

14 There's not been affirmative action to correct  
15 the problems associated with outdated or poorly operating  
16 personal alarm systems.

17 Then there's one that's basically a labor thing  
18 about vacating binding arb in the matter of Kendlyn Rose versus  
19 CYA regarding the education staff being sent to provide  
20 educational services in housing units.

21 However, just so you feel good, that was four  
22 deals, and there were five commendations by the same group. So,  
23 you're ahead five-to-four, but they've got some concerns that I  
24 think should be addressed.

25 We can make this available to you without  
26 commenting, because we have all sorts of people come here, and  
27 they say all sorts of stuff, and it's all going to be wonderful,  
28 and then when we get into the budget problem, it's still a

1 problem.

2 We'll get that to you, Jerry.

3 Senator Knight.

4 SENATOR KNIGHT: Thank you, Mr. Chairman.

5 I'm glad you got five atta-boys.

6 MR. HARPER: Kiss me on one cheek and slap me on  
7 the other.

8 SENATOR KNIGHT: I want to know how many  
9 vacancies do you have on your staff?

10 MR. HARPER: It depends on the category, of  
11 course.

12 SENATOR KNIGHT: Overall in the whole Department?

13 MR. HARPER: Overall in the whole Department,  
14 probably a little over 400; 450 if we include teachers,  
15 corrections officers, youth counselors.

16 SENATOR KNIGHT: Do you have trouble filling  
17 those positions?

18 MR. HARPER: Yes, we do, especially in certain  
19 categories. Some of the more critical categories are the  
20 psychologists and psychiatrists. Right now, we have about  
21 almost a 40 percent vacancy factor in our 15 psychiatric  
22 positions.

23 SENATOR KNIGHT: Aren't you budgeted to include  
24 those 400 vacancies?

25 MR. HARPER: Yes, sir, we are budgeted for those.

26 SENATOR KNIGHT: What do you do with the money?

27 MR. HARPER: In some cases we pay overtime to  
28 fill behind, and that's how we staff, particularly the post



1 assignments. The teaching assignments, we bring on substitute  
2 teachers.

3 SENATOR KNIGHT: So you use that money?

4 MR. HARPER: Yes, we use that money. In fact,  
5 we'd like to have more money to use for that purpose.

6 SENATOR KNIGHT: Thank you, and more spaces, I'm  
7 sure, allocated?

8 MR. HARPER: More spaces? I'm not sure what you  
9 mean by spaces?

10 SENATOR KNIGHT: Well, the 400 vacancies  
11 obviously are covered by spaces allocated to you.

12 MR. HARPER: Yes, sir.

13 SENATOR KNIGHT: So, if you added more spaces,  
14 there would be more allocation and more funding coming; right?

15 MR. HARPER: That's correct, yes, sir.

16 SENATOR KNIGHT: To cover new salaries.

17 MR. HARPER: New salaries, possibly. Again, I'm  
18 not into the DPA negotiating aspect of this thing. I would just  
19 say that we definitely have some shortages; we definitely have  
20 some disparities that I believe --

21 SENATOR KNIGHT: I understand you've got  
22 shortages if you've got 400 vacancies.

23 MR. HARPER: Right.

24 SENATOR KNIGHT: Yet, you're going to want some  
25 more.

26 MR. HARPER: No, actually, my priorities would be  
27 to fill the ones we've got first. But by the same token, if we  
28 are able to take care of some of the disparities with what we

1 call retention and recruitment bonuses, and salaries for the  
2 teachers, salaries for the psychologists, and some of the other  
3 groups, we will be able to fill these vacancies.

4 And yes, we still need more people on top of  
5 that.

6 SENATOR KNIGHT: Okay, thank you.

7 SENATOR KARNETTE: When we talked earlier, I am  
8 real concerned about the fact that we don't know how many  
9 people, young people, who leave CYA, whether or not they ever  
10 return. Since it is a rehabilitative idea -- the idea is that  
11 we rehabilitate these young people -- do you have any plans for  
12 getting better data? We can't really evaluate whether or not  
13 we're successful in rehabilitation, which is what I want to  
14 happen, until we have better data.

15 What are your plans for improving the data  
16 gathering?

17 MR. HARPER: Well, first of all, let me say that  
18 right now, our recidivism rate is about 44 percent for the young  
19 men, and about 23 to 24 percent for the young women, but it  
20 varies quite a bit.

21 SENATOR KARNETTE: But that's for just a short  
22 time?

23 MR. HARPER: It is, yes, ma'am. Yes, Senator,  
24 excuse me. That's my midwestern upbringing.

25 SENATOR KARNETTE: It's all right. I don't mind.

26 MR. HARPER: Yes, the time -- the maximum time  
27 that we could have them would be two years on parole.  
28 Unfortunately, a number of them, because of different reasons,



1 time adds and things like that, do not have a full two years  
2 when they get out on parole.

3 The other thing is that we have no way of really  
4 tracking them once that two-year period is up. Once they leave  
5 parole, we have no formal way of tracking them.

6 So, we could tell you what the rates are for that  
7 two-year period, but beyond that, we can only tell you by way of  
8 anecdotal stories and things like that as to whether we have had  
9 successes or failures, because some of these young people come  
10 back and talk to us or make phone calls to their staff, and  
11 things like that, and let us know. But there's really very  
12 little hard scientific data beyond that first two years.

13 SENATOR KARNETTE: Is there some way that we can  
14 improve the situation?

15 MR. HARPER: I think one of the things that we  
16 can do is, certainly we want to take advantage of all the  
17 literature that's out there, but we also -- I would like to be  
18 able to do some sampling, take some small samples, and so forth,  
19 and try to do that, and particularly break it down based upon  
20 whether the individual had primarily a substance abuse problem,  
21 or a sex offender problem, or a mental health problem, so that  
22 we can not only give you that data, but break it down based upon  
23 the different categories which correspond to the basic treatment  
24 areas that we have.

25 SENATOR KARNETTE: If we could actually make the  
26 treatment fit the crime, so to speak, we might be much more  
27 successful.

28 MR. HARPER: Absolutely. I totally agree with

1       that.

2                   SENATOR KNIGHT:   Senator Vincent.

3                   SENATOR VINCENT:   Listening to this is very  
4       frustrating.   With all due respect to Mr. Harper, I look at some  
5       of the people who recommended him, and I think so much of them,  
6       and I think so much of him, too, as person.

7                   But the whole system itself to me is troubling.  
8       I know that Senator Knight is a great person in aviation, and I  
9       know that Senator Karnette is the educator.

10                  But I've spent as much time in the Probation  
11       Department as you've spent in the Sheriff's Department.

12                  MR. HARPER:   Yes, sir.

13                  SENATOR VINCENT:   And I also know that probation  
14       is rehabilitation, and parole is detention.   There should be a  
15       big difference.

16                  But I can tell you from what I've observed in the  
17       years I've spent, I don't see much difference between Preston,  
18       Nelles, and Tracy as I did in Folsom and San Quentin, other than  
19       the age limit.

20                  The recidivism is very high.   It's so high, you  
21       don't want to even talk about it.

22                  What goes on those prisons, they should let  
23       everybody out of there, some of the things that go on in there.  
24       You know, it's troubling to see it.   In Pelican Bay, I've seen a  
25       lot of those things.

26                  What I'm saying, there's a lot of things that's  
27       laid on you that shouldn't be laid on you.   And I respect you,  
28       and I know about your record.   And I knew you when you were in

1 the Sheriff's Department with Sherman Block.

2 You say we've got beds, you can't fill them.  
3 Senator Knight was talking about vacancies, we can't fill them.

4 We know why you can't fill them. Nobody wants to  
5 go to jail. The people in and the people going to work there,  
6 many times, based on what they see in jail, it's kind of  
7 dangerous in jail. Especially, and you see what happened at  
8 Pelican Bay, it's dangerous in there.

9 I don't know what we can do. I know the Senator  
10 mentioned the budget. But in this situation where I'm sitting,  
11 it's very frustrating in knowing. And if you don't know,  
12 sometimes you're better off to know that you don't know.

13 I've seen many times where young kids were put in  
14 isolation -- we used to call it in XY Unit -- because they did  
15 have mental problems. You know, they didn't get treatment.  
16 They got isolation. And they got drugged. It's kind of a sad  
17 commentary.

18 But I respect you, and I think you've done -- I  
19 started to say you're a credit to your race, but that's supposed  
20 to be my line.

21 [Laughter.]

22 SENATOR VINCENT: Sir, I think you've got a real  
23 tough job, and you have my support in any way, if I can help you  
24 in any way to make it a better situation for the inmates.

25 MR. HARPER: Thank you, and I will plan on taking  
26 advantage of that.

27 SENATOR KNIGHT: Thank you, Senator Vincent.

28 Do you have anybody you'd like to introduce?

1 MR. HARPER: I have some staff here from the CYA  
2 that I'd like to just stand up so I can introduce them. And  
3 then, after they sit down, I'll have a couple of them stand up.

4 Would the staff from CYA Stand up, those of you  
5 who are here.

6 SENATOR KNIGHT: I thought you said you had  
7 vacancies.

8 [Laughter.]

9 MR. HARPER: Thank you.

10 In addition, there are two people I'd like to  
11 introduce. Richard Kai, would you please stand up. He's  
12 relatively new as my Chief Deputy, and he's doing a great job.  
13 Many years in state service, and he's a big help.

14 And Senator, one of the things that you talked  
15 about, I think that we need to give some credit to the fact that  
16 for some eleven years, the Youth Authority had been under the  
17 strictures of a lawsuit called Nick Owe, which had to do with  
18 special education, and the fact that we were not providing  
19 special education to some of our wards as we should. There's  
20 one lady here who I think can take maybe not one hundred percent  
21 of the credit for it, but one heck of a lot of credit. Her name  
22 is Doreen Davis. She's a Deputy Director and the Superintendent  
23 of Instruction. I'd like her to stand up, please.

24 This one lady has basically taken the education  
25 branch and shaken it and made it what it is today. And I think  
26 it is better than it has ever been in the CYA, and it's going to  
27 even get better. So, I just wanted to pay a special tribute to  
28 her because I think she's done a tremendous job.



1           SENATOR KNIGHT: Do we have anybody in support?  
2 Senator Polanco, you're late.

3           SENATOR POLANCO: Excuse me, Mr. Chairman. I was  
4 conducting a subcommittee hearing on budget.

5           I'm here to support the nominee that's before  
6 you, Mr. Harper. I've known him for several years now. I've  
7 known him in his capacity when he was with the department in the  
8 county I represent, the Sheriff's Department.

9           He brings the kind of leadership that's necessary  
10 in the Youth Authority. He has the courage to bring the kinds  
11 of changes and innovations that will make a difference in an  
12 institution that we know has problems.

13           His leadership is welcome. His foresight, and  
14 the firmness, and just the quality of the person, and the  
15 experience of the person that he is, certainly, I would ask that  
16 you support and confirm and move forward his nomination.

17           SENATOR KNIGHT: Thank you, Senator.

18           Anybody else in support?

19           Give your name and organization, please.

20           MR. WHITE: Mr. Chairman and Members, Steve  
21 White, Inspector General.

22           I appear before you in support of Mr. Harper's  
23 confirmation as Director of the CYA, and I come not as an  
24 uncritical observer, but as somebody who's been very focused on  
25 the Department that Mr. Harper leads, and somebody who has been  
26 pushing, and pushing, and pushing with respect to illuminating  
27 the kinds of problems that he's confronted with.

28           I would like to just say that when I appeared

1 before the Committee not too long ago, May of last year,  
2 relative to the problems that Jerry inherited, I spoke at some  
3 length about the woeful lack of leadership. And Jerry provides  
4 the leadership.

5 I think that the biggest hurdle that he had -- he  
6 may see it differently -- but looking at it from the outside,  
7 I'm telling you from my perspective, the biggest hurdle that he  
8 had was understanding the dimension and scope and seriousness of  
9 the problem, because it was almost unplumbable. It is a  
10 serious, seriously beset, historically harmed department,  
11 frankly, and that needed the kind of leadership that Jerry is  
12 giving it.

13 I think he has done a remarkable job under very  
14 adverse circumstances. He has the need to -- and he's been  
15 stepping up to this need -- the need to change the culture  
16 inside that Department. And he has taken significant steps to  
17 accomplish that.

18 So, I'm very pleased to support his  
19 confirmation. I don't want, as I conclude my remarks here, to  
20 have anybody think -- and I know Jerry isn't going to believe  
21 this -- but anybody saying that this is going to be a short  
22 course. This is a long, hard process. It is going to require  
23 increases in resources such as the Governor has put in the  
24 budget this year, but it's also going to require significant  
25 management changes at all levels of the Department.

26 And finally and most important of all, and this  
27 is the area that I think the leadership so critical, it's going  
28 to require a change in the culture. It's going to require



1 people resubscribing to the commitment that got them into the  
2 CYA to start with as staff, and that is the commitment to really  
3 turn these kids around. For too long, too many have not cared  
4 about that commitment.

5 And Jerry will lead and help those who care to be  
6 heard, and to help him lead that Department.

7 So, that's where I am on that subject. I think  
8 he's a good Director.

9 SENATOR KNIGHT: Thank you.

10 Anybody else wishing to testify in support?

11 MR. MABRY: Mr. Chairman and Rules Committee  
12 Members, Roy Mabry, Association of Black Correctional Workers.

13 It's obvious that Mr. Harper didn't inherit a  
14 Sunday school. With some of the things that we talked about  
15 today, it's been existing in the Department for quite a while.

16 But through our meetings and tours in the Youth  
17 Authority, and talking to Mr. Harper, and identifying all the  
18 concerns that a lot of you brought out, and the approach that  
19 he's taken to address those concerns, we've been giving him 100  
20 percent of our support in efforts of confirmation.

21 And to Director Harper I'd like to say,  
22 congratulations, sir.

23 SENATOR KNIGHT: He's not confirmed yet. Thank  
24 you for your testimony.

25 MR. HARPER: I just want to say that his transfer  
26 from CDC to CYA is imminent.

27 [Laughter.]

28 MR. MABRY: I'll be willing to accept a manager's

1 appointment.

2 [Laughter.]

3 SENATOR KNIGHT: Thank you. No more politicking  
4 at the table.

5 Anybody else?

6 SENATOR VINCENT: Mr. Chairman, maybe now I can  
7 put in my word. He's really a credit to his race.

8 [Laughter.]

9 SENATOR KNIGHT: I knew you'd get it in sooner or  
10 later.

11 MR. ADAME: Good afternoon.

12 SENATOR KNIGHT: A lot has been said, so let's  
13 not repeat it.

14 MR. ADAME: No, sir.

15 My name is Louie Adame, and I am the State Vice  
16 President of the California Correctional Peace Officers  
17 Association, representing all Unit 6 peace officers employed by  
18 the California Department of Youth Authority.

19 In the past, the media has portrayed and accused  
20 Youth Authority staff of violating the rights of wards and  
21 denying them treatment. Some members of the Legislature and the  
22 public at large have questioned our professionalism.

23 Let there be no doubt, Unit 6 staff are dedicated  
24 and committed to advancing the mission of the CYA. We believe,  
25 however, that the CYA needs to address the following issues in  
26 order to move forward.

27 We need to have adequate staffing levels to do  
28 our job and do it well. In 1992, CYA significantly reduced the

1 number of youth correctional and counselor positions because the  
2 state was experiencing a fiscal crisis. Years have passed, and  
3 these positions have never returned, in spite of the overall  
4 increase in mandated programs pertaining to the treatment needs  
5 of the wards. In the process, the Youth Authority has gone from  
6 one of the best in the nation to one of the worst in terms of  
7 services and treatment provided to juvenile wards.

8 It is critical that these positions be restored  
9 to ensure the mission of the Youth Authority can be effectively  
10 achieved in a safe and secure environment.

11 Two, training and equipment. Unit 6 staff needs  
12 training, additional training to deal with the increasingly  
13 explosive juvenile behavior that threatens security within our  
14 institutions. The latest technology and equipment for  
15 controlling routine disturbances are desperately needed.

16 SENATOR KNIGHT: Excuse me. We're here to  
17 support Mr. Harper?

18 MR. ADAME: Yes, sir.

19 SENATOR KNIGHT: These are problems that he's  
20 probably going to work on.

21 MR. ADAME: Yes, sir.

22 SENATOR KNIGHT: We're not doing legislation  
23 here.

24 MR. ADAME: I know. I just want it on record.

25 SENATOR KNIGHT: On record what? That you want  
26 these things done?

27 MR. ADAME: No. We have discussed this with the  
28 Director.

1           SENATOR KNIGHT: Okay, then you can put it in the  
2 record and give it to the secretary to include in the record, if  
3 you would, please.

4           MR. ADAME: Then in conclusion, Mr. Harper has  
5 the task of leading the Youth Authority on the road to recovery  
6 in delivering service to wards and ensuring staff safety.

7           In conclusion, and with the consensus of all 14  
8 CCPOA CYA Chapter representatives, it is my pleasure to announce  
9 CCPOA's support for Jerry Harper as Director of the California  
10 Youth Authority.

11          SENATOR KNIGHT: Thank you very much.

12          Next.

13          A lot has been said so far in support, and don't  
14 repeat it.

15          MR. RIOS: I will try not to.

16          My name is Richard Rios. I am the Vice Chair of  
17 Bargaining Unit 3.

18          And Chairman sort of blew most of my speech when  
19 he talked about the problems that we're having in the Youth  
20 Authority. The five atta-boys, the four problems; that was  
21 mine. I'll go over the atta-boys. I don't think you've heard  
22 of the atta-boys yet.

23          SENATOR KNIGHT: Well, five is enough.

24          MR. RIOS: We commend Mr. Harper for his genuine  
25 commitment to deliver educational services to all Youth  
26 Authority wards; his willingness to meet and openly discuss all  
27 work site issues with CSEA representatives; his recognition of  
28 the serious recruitment problems for some CSEA work



1 classifications, particularly those in the teacher and nurse  
2 classifications. We commend his commitment to aggressively seek  
3 more competitive compensation for those work classifications in  
4 which problems of recruitment and retention exist.

5 SENATOR KNIGHT: Sir, you have submitted your  
6 letter?

7 MR. RIOS: Yes.

8 SENATOR KNIGHT: It's in the file?

9 MR. RIOS: Yes.

10 SENATOR KNIGHT: If you could, skip to the last  
11 part and say you support Mr. Harper.

12 MR. RIOS: Now, I am a Youth Authority teacher.  
13 And as I work in the Youth Authority, I get to see a lot of  
14 things, and I have seen a lot of things for the last 26 years.  
15 I would hope for a little bit more than two or three seconds to  
16 deliver my message. I understand --

17 SENATOR KARNETTE: The point is, there is another  
18 committee you need to talk to. I'll tell you which one it is.

19 SENATOR KNIGHT: This is primarily for  
20 confirmation of Mr. Harper.

21 MR. RIOS: And even though we do have some  
22 serious concerns with regard to his confirmation, we do support  
23 his confirmation as Director of Youth Authority.

24 SENATOR KNIGHT: Thank you very much. I wasn't  
25 meaning to cut you off.

26 MR. RIOS: Sir, that's what it felt like, but I  
27 know there are other people. Thank you very much.

28 SENATOR KNIGHT: Then I apologize for it.

1                   Next.

2                   MR. GALINDO:   Honorable Chair and Committee  
3   Members, my name is Raul Galindo, and I'm the Vice Chair of the  
4   Youthful Offender Parole Board.

5                   I've known Jerry for well over 20 years.   He was  
6   a lieutenant on the Sheriff's Department at the time, and I  
7   worked L.A.P.D.   One of the things in talking with the people  
8   that he supervised was, what a leader.   And I can tell you  
9   unequivocally that you hear that by people that I work with  
10  everyday in various institutions throughout the state.

11                   He is well known -- and he's probably getting a  
12  little embarrassed -- for his hard work.   You will not see  
13  another person work as hard as this gentleman does.   If there's  
14  26 hours in the day, he's working 26 hours.

15                   I can say this about the Governor.   He truly  
16  showed how wise he is in appointing this man for the  
17  directorship.

18                   SENATOR KNIGHT:   I assume you support his  
19  nomination.

20                   MR. GALINDO:   Yes, and I look forward to working  
21  with him, and I urge his confirmation.

22                   SENATOR KNIGHT: Thank you.

23                   Anybody else?

24                   Do we have anybody in opposition?

25                   SENATOR KARNETTE:   Move the confirmation.

26                   SENATOR KNIGHT:   Moved by Senator Karnette.  
27  Secretary, call the roll.

28                   SECRETARY WEBB:   Senator Karnette.



1 SENATOR KARNETTE: Aye.

2 SECRETARY WEBB: Karnette Aye. Senator Knight.

3 SENATOR KNIGHT: Aye.

4 SECRETARY WEBB: Knight Aye. Senator Vincent.

5 SENATOR VINCENT: Aye.

6 SECRETARY WEBB: Vincent Aye.

7 SENATOR KNIGHT: Leave the roll open for Senator  
8 Burton.

9 Congratulations, Mr. Harper.

10 MR. HARPER: Thank you very much. I appreciate  
11 it. Thank you.

12 [Thereafter, CHAIRMAN BURTON  
13 added his Aye vote, making the  
14 final vote 4-0 for confirmation.]

15 SENATOR KNIGHT: Next item is Senator Michael  
16 Flores, member of the Fish and Game Commission.

17 MR. FLORES: Senator, I appreciate that  
18 promotion.

19 SENATOR KNIGHT: I'm sorry. Did I call you a  
20 Senator?

21 MR. FLORES: Yes.

22 SENATOR KNIGHT: Well, it's revoked.

23 [Laughter.]

24 MR. FLORES: Mr. Chairman and Members, thank you  
25 today for This opportunity. I am honored to have been appointed  
26 by Governor Davis as Commissioner on the California Fish and  
27 Game Commission. I am also honored to speak before this  
28 distinguished panel.

1           Let me begin by sharing with all of you my first  
2 outdoor experience at camp which led me to become the  
3 outdoorsman that I am today.

4           I was chosen to go to an outdoors camp the summer  
5 after my fourth grade. At camp, I hiked, caught my first fish,  
6 played a round of Capture the Flag. While there, I was exposed  
7 to a world that I had not previously known.

8           SENATOR KNIGHT: You're going to skip from there  
9 pretty high in your age limit, aren't you?

10          MR. FLORES: Yes.

11                           [Laughter.]

12          SENATOR KNIGHT: Thank you.

13          MR. FLORES: Through these experiences, I learned  
14 a lot about comradery, resourcefulness, and I discovered a love  
15 and respect for nature. To this day, these experiences are as  
16 sharp in my mind as the day they occurred, and they continue to  
17 inspire my desire to protect the natural environment for future  
18 generations to come.

19          I consider myself extremely fortunate to have had  
20 both this first experience at camp, as well as an older brother  
21 who helped me cultivate the outdoors.

22          But because I know how wonderful it can be for  
23 any kid to experience the outdoors, as a Commissioner I want to  
24 expand the opportunities for our youth to understand and  
25 appreciate this beautiful state.

26          I feel that the Commission, along with private  
27 partners, could accomplish this goal. The natural wilderness of  
28 this state is a beautiful resource and should be available for

1 all Californians to experience. Yet, there are many adults and  
2 youngsters who have never taken a step into the forest, walked  
3 along a stream, or let alone seen a wild animal in its natural  
4 environment.

5 As Commissioner, I will make outreach programs to  
6 the inner-city and low-income youth one of my highest  
7 priorities.

8 I also believe that all people should be made  
9 stakeholders in the stewardship of our wilderness habitat:  
10 conservationists, commercial fishermen, animal rights advocates,  
11 hunters, and all others with an interest in the outdoor  
12 activities should be encouraged to participate in Commission  
13 hearings.

14 For this reason, during the past year I have put  
15 special emphasis on including as many different constituent  
16 groups as possible in our hearings. I am proud to say that the  
17 Commission has begun to have weekend hearings. This past  
18 February in Sacramento was our first weekend meeting, the first  
19 time in the Commission's history. As expected, the Commission  
20 meeting had a much higher turnout than expected.

21 But I feel that a major challenge for all of us  
22 as stewards of our outdoors is to protect against the loss of  
23 natural habitat. Protection of the environment, as well as  
24 protection of all natural species found within our outdoors  
25 should be our highest priority.

26 Finally, my goal to be able to leave to my  
27 children and all the children of this state a more pristine and  
28 bountiful wilderness, much more than I found on my trip to camp

1 many summers ago.

2 Mr. Chairman and Members, thank you very much.

3 SENATOR KNIGHT: Thank you, Mr. Flores.

4 Any questions, Senator Karnette?

5 SENATOR KARNETTE: I was just wondering how  
6 you're going to try to make the wilderness -- I would like to  
7 see more wilderness. Do you have any plans for that, and taking  
8 care of the wildlife? Because the title of the Commission is  
9 Fish and Game, but I think people have talked about making it  
10 wildlife, which I think would be an interesting approach.

11 MR. FLORES: Well, the goal of the Commission is  
12 to provide and set guidelines policy for the Department of Fish  
13 and Game. It's to --

14 SENATOR KARNETTE: I guess you could say game is  
15 wildlife.

16 MR. FLORES: Well, it is.

17 One of the responsibilities of the Commission is  
18 to set the guidelines and also the harvesting for the taking of  
19 game in the wild.

20 A lot of people feel that, well, the taking of  
21 game is used as a management tool in order to manage the  
22 particular game species, such as turkey, elk, deer, and various  
23 other wild game.

24 SENATOR KARNETTE: Also, the fish population is  
25 decreasing. I know I represent Southern California and the  
26 coastline, Long Beach.

27 What is one of the big problems with the over  
28 fishing?



1 MR. FLORES: Well, one of the measures that we  
2 recently took was to, in terms of the harvesting of near shore  
3 fisheries, which is the responsibility of the Commission, was to  
4 set some emergency guidelines in place.

5 The science is not quite exact in terms of -- it  
6 looks as though that the near shore fisheries, in particular  
7 there's about three or four different species that are -- their  
8 stocks are very depleted. One is due to commercial fishing;  
9 the other is due to sport fishermen take.

10 What we've done is, we've enacted some very  
11 conservative guidelines in terms of the allocation for harvest  
12 this year. We're looking at to further identify what the impact  
13 is overall. And I think that down the road, we'll take  
14 appropriate action if we can.

15 If it looks as though the allocation, or the  
16 numbers are actually much higher, the stocks are much higher  
17 than originally anticipated, then I think the Commission would  
18 be more favorable to make the allocations larger.

19 But I think in this instance, I've advocated to  
20 take a much more conservative approach. And I feel that we  
21 don't need to go the route of the abalone, which in some cases  
22 are extinct. I'd much rather undo something later on, as  
23 opposed to not being upfront and proactive, and then later  
24 finding out that we waited too late.

25 SENATOR KARNETTE: Do we have enough game  
26 wardens, do you think?

27 MR. FLORES: No, well, that's a decision for the  
28 Director of the Department of Fish and Game to make and

1 determine. But from what I've seen, I don't believe so.

2 If you take on average, a game warden has about  
3 600 square miles to patrol. No city officer, no Highway  
4 Patrolman in his right mind would want that kind of  
5 responsibility.

6 So, I think that certainly there is room for more  
7 wardens. There's a whole host of issues along with that, and  
8 I'm sure that Director Hight would be more than happy to sit  
9 down and talk with you about that.

10 SENATOR KARNETTE: One more, and then I'm  
11 finished.

12 SENATOR KNIGHT: I hope so.

13 [Laughter.]

14 SENATOR KARNETTE: I tell you, I commend him. He  
15 learns fast.

16 The endangered species, what do you see the role  
17 of the Commission in the endangered species and how we protect  
18 them?

19 MR. FLORES: Well, I think that as I stated  
20 earlier in my statement, I think that we're here to help nurture  
21 along those species that are in dire need of it. One of them --  
22 for instance, we've listed this last year a couple of plants.  
23 We also are getting ready to probably list the Coho Salmon, who  
24 is in dire, dire straits at this point.

25 So, I see the roll of the Commission to identify  
26 those species and see if there is a negative impact, and to  
27 list, go ahead and list.

28 It depends on what the science is. Most of our



1 policy's based on science and what the Department prepares for  
2 us.

3 But we as Commissioners I don't think necessarily  
4 solely rely on that. We have to ask some very hard questions  
5 and do a lot of homework.

6 SENATOR KNIGHT: Thank you.

7 Senator Vincent.

8 SENATOR VINCENT: I think we'd better have a full  
9 Committee here, because I'm going to have trouble with this  
10 confirmation.

11 The reason I'm going to have trouble with it is  
12 the fact that Mr. Flores indicates that he likes to get kids out  
13 in the wilderness and see the animals. Well, I hope he wouldn't  
14 take them out there to kill them when they see them.

15 MR. FLORES: No.

16 SENATOR VINCENT: Number two, I have a love for  
17 animals, more so than most people, in particular horses. I've  
18 got horses; I've got cats; I've got dogs.

19 And we had a committee hearing moments ago about  
20 the Armenian situation and Turkey situation, and the terms  
21 genocide and massacre was used. I've seen a massacre of horses.  
22 I've seen them do that in Arizona, you know, wild horse group.

23 I'm not denying you a right to do what you want  
24 to do. I just find it very difficult to support that. I find  
25 it very difficult to support that.

26 SENATOR KNIGHT: To support what?

27 SENATOR VINCENT: I said, I find it very  
28 difficult to support his situation for the job he's doing based

1 on what his hobby is, and that's hunting, in particular bow  
2 hunting. I find a problem dealing with that.

3 So, I think you'd better get the full Committee  
4 back if you want to vote on this, because I don't plan on voting  
5 for it.

6 MR. FLORES: Would you like me to address some of  
7 those for you, Senator?

8 SENATOR VINCENT: Fine, sir.

9 MR. FLORES: First of all, my goal to get our  
10 inner-city youth in the outdoors is not to manufacture hunters.  
11 My goal is to give them an alternative to the urban corridors  
12 that we all live in.

13 Like I said earlier, if it wasn't for an  
14 elementary school principal who saw something in me, and was  
15 able to send me to camp, I probably would not be sitting here  
16 before you, not as a hunter, but as Secretary of Foreign  
17 Affairs, a position that I hold currently, or as nominee as  
18 Commissioner.

19 I just think that the outdoors provides an  
20 alternative to the jungles that we live in on a daily basis.

21 I'm not in the business of manufacturing hunters.  
22 That's not my goal.

23 My goal is to give kids the opportunities to go  
24 to the outdoors.

25 I heard an interesting story today about a kid  
26 who was able to go to the outdoors. And he went on a camping  
27 trip. He was a kid from Los Angeles, I believe. And when it  
28 was all over, said, and done, he told one of the camp

1 counselors, "I want to come back in the winter time."

2 And the camp counselor said, "Well, why?"

3 He said, "Because I want to see the Christmas trees  
4 with their lights on it."

5 Well, that's a cute little story, but it's sad.  
6 It's a sad statement that his only exposure to the outdoors is a  
7 Christmas tree in the winter time in his home.

8 So, my goal is to get kids out so they can learn  
9 a little bit about what it's like to hike. It's there for us.  
10 It's not mine. It's not anybody's in particular. It's  
11 theirs. And what better way?

12 And if it keeps a kid on the straight and narrow,  
13 then I'm all for it. And if it saves only one kid from getting  
14 out of potential gangs, or whatever the case may be, I think  
15 it's a worthwhile opportunity that the government and private  
16 partnerships ought to get together and get some of these kids  
17 out of these jungles, and get them out in the outdoors so they  
18 can see what it's like. That's what I'm about.

19 SENATOR VINCENT: I agree with you completely  
20 about getting kids in the outdoors, and kids seeing Christmas  
21 trees during the winter months.

22 But I don't agree with the fact that -- and  
23 that's my own personal thing -- that kids should go out in the  
24 wilderness to -- not that you're training them to do it, but you  
25 say, get them seeing the habitats, seeing wild animals.

26 I know that if the information I have is correct,  
27 the organizations you belong to, I think they're dealing with  
28 hunting.

1 MR. FLORES: Well, they are, but they're  
2 conservation organizations. You take a look at California Water  
3 Fowl Association as one. If it weren't for many of the  
4 contributions that duck hunters make, we wouldn't have any  
5 wetlands habitat. The Sierra Club has stated that in some  
6 fliers that they passed out. Our wetlands are down to 50  
7 percent -- well, they're actually down 90 percent.

8 SENATOR VINCENT: I don't really buy that. Let  
9 me tell you why I don't buy that.

10 You know, in Africa, I went to the Serengeti.  
11 They've got wild animals there. You know, nature takes care of  
12 itself. It really does. There's nobody in the Serengeti  
13 shooting rifles or anything like that, or machine guns. That's  
14 not happening.

15 MR. FLORES: Well, with all due respect, Senator,  
16 there is nobody developing on the Serengeti, like developers  
17 develop in this state.

18 SENATOR VINCENT: What I'm saying to you, you  
19 belong to hunting organizations; is that correct?

20 MR. FLORES: I belong to what I consider  
21 conservation organizations.

22 SENATOR VINCENT: Well, I consider it hunting.

23 SENATOR KNIGHT: Are you indicating that you're  
24 absolutely against hunting? Is that it?

25 SENATOR VINCENT: No, no, I'm not absolutely  
26 against anything.

27 But I'm not voting for it.

28 SENATOR KNIGHT: Okay, that's fine.



1           SENATOR VINCENT: You can do what you want to do.  
2 I'm going to do what I want to do.

3           SENATOR KNIGHT: Do we have people in support?

4           SENATOR POLANCO: Mr. Chairman and Members, I'm  
5 not a hunter, for the record. And this is an entity that deals  
6 with a variety of issues, from wildlife to habitat. The area  
7 that they have jurisdiction over belongs to all of us. And  
8 there is nothing in today's statute that says hunting is  
9 prohibited. In fact, we regulate it in order to protect.

10           Again, I am not one who does hunting, but I have  
11 known Mr. Flores for sometime. I believe he's sincere when he  
12 talks about outreaching. I believe he's sincere when he talks  
13 about bringing inner-urban kids to a setting that they will  
14 probably never be exposed to. I believe that he brings them  
15 there not to manufacture hunters when he says that he does. And  
16 I believe that the proactiveness of engaging kids in  
17 environments that, for all intent and purpose, they may not  
18 ever, ever experience does have a profound impact on the life of  
19 these young individuals.

20           So, I'm here to ask that you look at his record.  
21 I would feel very comfortable knowing that he is there, because  
22 I know him. I believe what he says is true when he talks about  
23 what he's talked about.

24           And although this is a very peculiar area for me  
25 to engage in because of my history, I believe what he says. And  
26 when he says what he says, I believe that is what is truth.

27           So, he brings the kind of experience and know-how  
28 to a commission that needs the kind of balance that I know he

1 will bring. And so, I would ask for your favorable  
2 consideration.

3 SENATOR KNIGHT: Thank you, Senator Polanco.

4 Next witness.

5 MR. MCCAULL: Thank you, Senators. My name is  
6 John McCaull. I'm the State Legislative Director for the  
7 National Audubon Society.

8 We're not a hunting organization. Our roots go  
9 back a hundred years to the preservation of birds, and wildlife,  
10 and habitat.

11 We strongly support Mr. Flores for this  
12 confirmation. Having met with him and talked with him, there  
13 are two things that I just want to stress.

14 One is that for the future of California's  
15 natural environment, we have to look not only at the people who  
16 live in rural communities but the urban areas of the state.  
17 That's where most of the voters are; that's where most of the  
18 people are.

19 And where there's an experience in a city park,  
20 or an opportunity to go into the Sierras or the coast, those can  
21 be a life-changing experience. And I really believe that  
22 Mr. Flores is going to encourage that and bring a new openness  
23 to the Commission and perhaps a new role in educating people  
24 about the importance of wildlife and the environment.

25 And secondly, our group, again, not really taking  
26 positions on hunting issues, we're more focused on preservation  
27 of populations of species that are threatened or endangered,  
28 the Commission's role in that. And I think if we can step



1 outside of -- the greatest threat to wildlife in California is  
2 not from hunting. It's from loss of habitat for all kinds of  
3 reasons. And I think the Commission has done a good job with  
4 Mr. Flores on it, looking at those issues.

5 I would urge your aye vote. Thank you.

6 SENATOR KNIGHT: Next witness.

7 Let's not continue to repeat. We got the picture.

8 MR. KELLOGG: I'm not going to, Mr. Chairman.  
9 I've been here before, and thought that Senator Burton was real  
10 clear about short speeches, but I see where you're making it  
11 maybe even more clear.

12 My name is Jim Kellogg, and I'm here representing  
13 the 350,000 men and women of the State Building and Construction  
14 Trades Council in the State of California, who, over 75 percent  
15 of purchase hunting and fishing licenses, knowing that that  
16 purchase goes to the conservation and control of animal  
17 habitat.

18 We're here to support the confirmation of Michael  
19 Flores.

20 I'm also here with another hat, which is the  
21 Northern California Outdoor Sportman's Coalition. We're here to  
22 support the confirmation of Michael Flores as well.

23 Many in both organizations are in the audience  
24 today.

25 SENATOR KNIGHT: Thank you.

26 Next witness.

27 MR. RYAN: Good afternoon, Mr. Chairman and  
28 distinguished Senators. My name is Charles Ryan. I'm the

1 senior staff person for the National Wild Turkey Federation.  
2 We are the second largest conservation, single species  
3 conservation organization in American, with over 300,000  
4 members.

5 I just wanted to make a couple of different  
6 points. We're certainly in favor of Michael Flores.

7 But hunting has taken place for 500,000 years.  
8 Every person in this room owes their existence to hunting and  
9 all of the many social aspects that have been incorporated into  
10 everything we do: organization, language, communication. It's  
11 a part of our heritage.

12 It's recognized by all 50 of the State  
13 Legislatures, the federal government has a legitimate management  
14 activity.

15 And there will be opposition, and there are  
16 groups, well-meaning groups and concerned people in our society  
17 that, in the generations -- just a couple of generations of  
18 grocery stores, have forgotten that other living things have to  
19 die for us to exist. We have replaced hunting largely by going  
20 to the grocery store and paying people to do our killing for  
21 us. But things have to die for us to exist. That's nature.  
22 Everything out in nature is eating something else, and we're  
23 part of it.

24 I don't think we can isolate hunting and depict  
25 it as an evil when most of the conservation effort in America  
26 and throughout the world today is being funded by hunters.

27 Thank you so much.

28 SENATOR KNIGHT: Thank you.

1 Next witness.

2 DR. OATES: Jim Oates, Sacramento dentist.

3 Mike Flores and I have been friends for ten  
4 years, and I wholeheartedly support his confirmation on the  
5 Commission.

6 He is a biologically sound manager of fish and  
7 wildlife. He will look at the issues that will allow us to have  
8 an abundance of game and fish in our rivers and in our  
9 environment for the future generations, for our children and our  
10 grandchildren. That's why I support him.

11 Thank you.

12 SENATOR KNIGHT: Thank you.

13 Next witness.

14 MR. HENNELLY: Hi. Mark Hennelly, California  
15 Waterfowl Association.

16 I'd first like to echo Mr. Ryan's comments  
17 earlier.

18 SENATOR KNIGHT: And everybody else's, I assume.

19 MR. HENNELLY: Indeed.

20 Our Association strongly supports the  
21 confirmation of Mr. Flores to the Fish and Game Commission. As  
22 an avid outdoorsman and wildlife enthusiast, Mike Flores not  
23 only has an excellent understanding of California's natural  
24 resource issues, but also brings an important perspective to  
25 the Commission how their regulations affect the public.

26 Furthermore, more Mr. Flores' commitment to  
27 institute weekend meetings that we heard about earlier of the  
28 Commission will ensure that all interests have the opportunity

1 to provide input to the Commission and have their voices heard.

2 Thank you.

3 SENATOR KNIGHT: Thank you.

4 Next witness.

5 MS. ERICKSON: Hello. My name's Jennifer  
6 Erickson. I am a representative of the National Wild Turkey  
7 Federation.

8 SENATOR KNIGHT: Turkey Federation.

9 MS. ERICKSON: Yes.

10 SENATOR KNIGHT: I thought we just had one.

11 MS. ERICKSON: Actually, I represent the women in  
12 the outdoors program. From personal experience, I know how  
13 important outdoor education is, both for women and children, and  
14 all adults any more.

15 And I would just like to say that we support  
16 Michael Flores.

17 SENATOR KNIGHT: Thank you very much.

18 Next.

19 MR. GEYER: I'm Bill Geyer. I'm Executive  
20 Director of the Resource Landowners Coalition. It's an  
21 organization which deals with the Commission primarily in the  
22 endangered species and habitat area.

23 I have to say that I've known Mr. Flores for  
24 sometime. I think he's shown an excellent record on the Fish  
25 and Game Commission so far, and we urge you to confirm him so we  
26 can keep working with him.

27 And I really -- we want to work with him on his  
28 particular initiative relative to getting people from the cities



1 out in the country.

2 SENATOR KNIGHT: I got the picture. Thank you.

3 MR. HOUSTON: I'm Bob Houston, representing the  
4 East Bay Regional Park District.

5 I had the opportunity to be in the wildlife with  
6 Mr. Flores and have first-hand knowledge of his interest and  
7 dedication towards the wildlife.

8 Thank you.

9 SENATOR KNIGHT: Thank you.

10 Next.

11 MR. ALLAYAUD: Bill Allayaud for Sierra Club  
12 California. And we're pleased to support Mr. Flores.

13 In particular, what resonated with us is his  
14 support of the youth getting out. We have a Youth in Wilderness  
15 Program that works in urban areas. We feel like that's  
16 important.

17 We also feel like Mr. Flores gets it when it  
18 comes to preserving habitat as the most important thing.

19 SENATOR KNIGHT: Thank you.

20 Anybody in opposition?

21 You all are under the same ground rules.

22 MR. MILLS: Senator Knight, Members of the  
23 Committee, my name is Eric Mills, Coordinator of Action for  
24 Animals in Oakland.

25 Mr. Flores is a great guy. I like him, and he's  
26 highly qualified, but not for this job in my view.

27 I commend a report to your circumspection here,  
28 1996 National Survey of Fishing, Hunting and Wildlife

1 Federation, put out by the U.S. Fish and Wildlife Service: 93  
2 percent of the hunters in this state are male; 97 percent are  
3 white; only two percent of Californians hunt.

4 This Commission in its mission statement says  
5 that they are to represent all the people in California. This  
6 is not being done. I liked your woman recommendation. Wouldn't  
7 it be nice to see a woman on this Commission sometime before I  
8 die?

9 There have been two vacancies for over a year  
10 since the Governor's been lax in his appointments. Mr. Flores  
11 did not apply for this job. I know three qualified people who  
12 did. There were lots of support letters, and we haven't gotten  
13 the time of day.

14 The truth is, sportsmen alone cannot financially  
15 support the Fish and Game. There's a great shortage of wardens  
16 right now. They make about three-quarters of the pay of  
17 policeman. They get shot a lot.

18 One of my warden friends told me I could forget  
19 calling CalTIP any more with all the infractions I've seen in  
20 the cities' live animal markets throughout the state because  
21 there is no manpower to enforce this.

22 SENATOR KNIGHT: Are you suggesting that hunting  
23 be outlawed?

24 MR. MILLS: No, sir. If you kill something to  
25 eat it, that's fine.

26 But Senator Karnette, I might point out that game  
27 does mean animals that you shoot and kill.

28 SENATOR KARNETTE: I know, but I think that word



1 came about before -- you know, this is an old word. I think  
2 they used it in Shakespearean times.

3 MR. MILLS: That's before my time.

4 I'm a little concerned that Mr. Flores might not  
5 have time to commit to this. He's going to keep his job as the  
6 Director of Protocol for Governor.

7 MR. FLORES: Secretary of Foreign Affairs.

8 MR. MILLS: Secretary of Foreign Affairs. He's  
9 going to be a little busy. I understand that the Mexican  
10 President is here.

11 I know I was at the meeting on Friday of last  
12 month in Sacramento. Neither Mr. Flores nor Mr. Richard  
13 Thieriot were present. We couldn't get a quorum. We've got two  
14 vacancies for over a year. I don't understand this  
15 foot-dragging by the Gov. We've got to do better.

16 Opposition to Mr. Flores is running about  
17 two-to-one. Almost all of his support is from co-hunting  
18 groups. He's a member of a lot of hunting organizations, but  
19 bow hunting I find the most problem with: 50 percent crippling  
20 loss with bow hunting in this country in every study I've seen.

21 I was taken with seeing the Wild Turkey folks  
22 here. That is a non-native species. So is the striped bass.  
23 So is the ring-necked pheasant and the chucker partridge.

24 We're spending millions of dollars in this state  
25 on exotic species when, two years ago, this same Commission had  
26 over 2,000 letters in support of a ban on frogs and turtles  
27 being imported to live animal markets in Sacramento, San  
28 Francisco, Oakland; 2,000 letters. Routine for the status quo,

1 and nothing was done there. They abdicated their  
2 responsibility. I'm concerned about that.

3 Mr. Flores has said he'd be willing once again to  
4 have some hearings maybe on this. Let's hope.

5 I think that's pretty much it.

6 SENATOR KNIGHT: Well, thank you, then.

7 MR. MILLS: Yes, sir. But, with all due respect,  
8 I think he's a good man, but not the best man for the job.

9 SENATOR KNIGHT: I think I got your word.

10 Next witness.

11 MR. BERGER: Good afternoon. My name's Alan  
12 Berger. I'm the Executive Director of the Animal Protection  
13 Institute. We're a national nonprofit animal advocacy group  
14 with about 20,000 members in California.

15 I will agree with some of Eric's comments. I met  
16 personally with Michael Flores a few weeks ago and would agree,  
17 and I think probably everyone that comes up here will. He's  
18 competent, personable, a very effective person. But again, I  
19 will agree with Eric, could serve ably on many state  
20 commissions, but not on this one.

21 The role of the Fish and Game Commission has  
22 changed dramatically over the years. There have been many laws  
23 enacted by the state that have gone toward the conservation and  
24 environment. So today, the Commission really has a dual role.  
25 What's happening is, the residents of California are much more  
26 supporting the second part of that, and that is the conservation  
27 of wildlife rather than the hunting and consumptive use.

28 The figure that was used, and it's actually a

1 little bit lower, there are only approximately 320,000 hunting  
2 licenses. About one percent of the population in California  
3 actually hunts. The national average is 5.9 percent. Both of  
4 those percentages have been dropping dramatically over the last  
5 25 years.

6 I could probably cite three different polls that  
7 we've been involved in that will show that the residents of  
8 California do not even support sport hunting at about a 60  
9 percent rate. You've had ballot initiatives in this particular  
10 state that have dealt with mountain lions, that have dealt with  
11 trapping, restricting trapping, and banning certain poisons.  
12 They were -- they both won by large amounts.

13 The gist here is that this group that's opposing  
14 Mr. Flores is really representing the voters of California  
15 today. The balance on the Commission has not represented those  
16 voters.

17 SENATOR KNIGHT: Question.

18 MR. BERGER: My own opposition is really that  
19 this Commission should be balanced to support the voters.

20 SENATOR KNIGHT: Question.

21 So, you're telling me that because you are a  
22 large organization and a large group, that that minority group  
23 that hunts should be excluded from doing anything in California,  
24 and considering that it is a lawful endeavor?

25 MR. BERGER: What I have said is that the  
26 Commission does not have balance. The Commission is balanced  
27 towards that hunting group, which really represents the minority  
28 of residents.

1 All that I'm asking for is that there be more  
2 balance. And when you're looking at nominating and approving  
3 someone to be on the Commission, that they should really  
4 represent the majority of the voters in the state, that are  
5 really not represented on that Commission today.

6 SENATOR KNIGHT: Next witness, please.

7 MS. HANDLEY: Hello, I'm Virginia Handley with  
8 the Fund for Animals.

9 I attend as many Commission meetings as possible  
10 that I can, and I have watched the Commission very closely for  
11 many years.

12 Mr. Flores has been on the Commission already for  
13 one year, so to talk of what all is going to be done in the  
14 future, we already have a history, and we have not seen these  
15 promises thus far.

16 Under the authorization law in the Fish and Game  
17 Code that gives the Commission the authority to regulate  
18 wildlife, they are also obliged by law to consider the welfare  
19 of the individual animals. We feel this is a very important  
20 obligation, and we really do not feel that that obligation is  
21 being met.

22 At the last time that I was at a confirmation  
23 hearing, this Committee confirmed Richard Thieriot, at the same  
24 time it was found that he had something like 95 violations of  
25 the Fish and Game Code of illegal ducks. I thought it was  
26 astounding that one would appoint somebody to a commission who's  
27 actually in violation of the very laws that they are supposed to  
28 be in charge of. At least Mr. Flores has not violated any



1 laws.

2 But we do see a conflict of interest that should  
3 be thought about under any commission that is actually going to  
4 regulate an activity in which they themselves take part, and  
5 that they themselves will be affected by his own vote.

6 I know at the last Commission hearing that I  
7 attended there was talk about the archery-only elk hunt that  
8 they want next year. Well, here we have a bow and arrow hunter.  
9 How is he expected to vote on that? I would think it would be a  
10 difficult vote.

11 We, of course, would be opposed to an archery-  
12 only elk hunt. We are particularly opposed to archery because  
13 of the effects of the wounding on the animals, the very sloppy  
14 kills, or animals that are left to die later.

15 I was at the Commission meeting when they had a  
16 conference call to finalize last year's hunting regulations. I  
17 did not hear Mr. Flores speak up at that meeting or at any other  
18 meeting that I have attended, except to speak up for bow  
19 hunters, even though we had a number of issues before the  
20 Commission of concern.

21 Last year, for instance, they were removing the  
22 quota on the bear tags, which means we're going to have  
23 thousands of more hunters out for the bears, which can then mean  
24 that more bears are being killed than you actually want, because  
25 how are you going to reel in all these thousands of hunters to  
26 tell them the quota has been hit.

27 We have an ongoing problem about trapping.  
28 Animals are still being trapped in box traps. They're still

1       being beaten to death.

2               SENATOR KARNETTE:   Excuse me.

3               Doesn't a person like Mr. Flores have to help in  
4       this?  Isn't the Commission trying to do something?  I mean,  
5       it's not all his fault.

6               MS. HANDLEY:  No, that's my point, is that the  
7       Commission very well could do something about this, but they  
8       chose not to.  Mr. Flores was on that Commission during the  
9       times that all this was put before him.  He chose -- did not  
10      indicate any interest in the issues that we had before them.

11              The interest that I did hear and see was an  
12      interest in the bow hunters.  And there was some concern about  
13      the bow hunters were not allowed in a particular hunt.  He  
14      wanted to know why couldn't the bow hunters go in there.

15              I just didn't see much interest or any reflection  
16      on --

17              SENATOR KARNETTE:  Did he do anything wrong?  I'm  
18      getting a little concerned.

19              MS. HANDLEY:  Yes, because doing nothing, in many  
20      instances, doing nothing wrong is doing something wrong.

21              I might also add, for instance, we had -- talking  
22      about children in the outdoors.  We've had a year.  There's no  
23      program that the Commission has put forward to get kids into the  
24      outdoors, except one, Junior Hunts.  And last year, I think we  
25      added a couple of more Junior Hunts, which Mr. Flores would have  
26      voted on as part of the package.

27              We on do not consider Junior Hunting the program  
28      to get the kids into the outdoors.



1           We just don't see any record after this year.  
2       There's been two endangered plants that were voted on. That's  
3       very good. I don't think they've had to vote on any endangered  
4       species.

5           Concerning the Saturday hearings, we are glad  
6       that there is trying to get the public more involved. But I'll  
7       tell you, the public that got more involved -- this was  
8       ironically set on a Saturday when they were going to discuss the  
9       hunting regulations. So, you know where we got more input; we  
10      had more bow hunters showed up. The bow hunters do not need  
11      representation on the Commission. They're very well represented  
12      in their participation in all of the hearings and the material  
13      that they bring. They already do quite a job for themselves.

14           We have other issues, too, such as the exotic  
15      animals that the Fish and Game Commission covers. The  
16      regulations, those regulations needs to be strengthened. We  
17      have zero enforcement of those regulations. We've not seen any  
18      commitment or interest on Mr. Flores' part to help with that  
19      issue.

20           We have the issue with the live animal markets.  
21      Maybe we can have an informational hearing.

22           SENATOR KNIGHT: Do you have a list of the things  
23      that you would like to submit?

24           MS. HANDLEY: I'm just about finished. That's it  
25      as far as what the issues that we are concerned about, and I did  
26      put in a position paper.

27           SENATOR KNIGHT: Okay, then that'll be in the  
28      record, and we appreciate that.

1 MS. HANDLEY: May I add one more thing.

2 There are a number of people that have put their  
3 names out to be on the Commission. I'm one of them. I do not  
4 expect any appointment or any confirmation, because I'm  
5 considered an anti-hunter.

6 But in the same regard, how is it that it's okay  
7 to go to other extreme? At least I have no vested interest in  
8 how Commission comes out. It doesn't affect my life. But yet  
9 it seems to be okay to -- let's put on a completely aggressive  
10 hunting advocate who will actually -- can actually profit  
11 personally, not financially, in the outcome of his own vote.  
12 And yet, that should be considered a conflict of interest.

13 We expect better from this Legislature and better  
14 from this Governor. Thank you.

15 SENATOR KNIGHT: Thank you for your testimony.

16 Next witness, please.

17 MS. RAASCH: Thank you, Senator Knight and  
18 Members.

19 I'm Karen Raasch, California Federation for  
20 Animal Legislation.

21 The main point I would like to make is that the  
22 Commission historically and still is imbalanced. I think  
23 it's -- considering that less than one percent of the  
24 Californians have hunting licenses and hunt, where is the  
25 representation for the other 99 percent of the citizens who want  
26 to see that the animals are well protected?

27 SENATOR KNIGHT: Thank you.

28 Next witness, please.

1 MR. WEISS: Yes, my name is Larry Weiss, and I am  
2 here representing Sonoma People for Animals. I'm an animal  
3 attorney, and I've practiced animal law for about 25 years now.

4 We are opposing Mr. Flores' nomination on the  
5 ground that it continues to weight the Commission in favor of  
6 hunters.

7 There's nothing personal, Mr. Flores.

8 He came to speak to a coalition of animal  
9 welfarists, and he was very personable.

10 But nothing can change the matter and the fact  
11 that even though hunters are only two percent of our population  
12 in California, from the time of its inception, the Commission  
13 has always had a majority of hunters.

14 So, I am not anti-hunter as much as I am pro-  
15 representative government. And Mr. Flores himself said, and we  
16 heard him say this morning, that all people should be made  
17 stakeholders of our natural resources. How are we going to do  
18 that if the vast majority of us are always in the minority?

19 SENATOR KNIGHT: You ought to join the Senate  
20 sometime.

21 [Laughter.]

22 MR. WEISS: We have enough politics in the court  
23 room, thank you.

24 SENATOR KNIGHT: Thank you.

25 Next witness.

26 MS. LERNBERG: I'm Rose Lernberg, and I'm with  
27 the Contra Costa Humane Society.

28 I agree with all the things that have been said

1 before. I find Mr. Flores very likeable personally. I've been  
2 at two meetings with him.

3 I would like to just quickly tell you about a pet  
4 peeve of mine. I was brought up in the Hudson Valley in New  
5 York, born on a farm. My father was a hunter, and I had two  
6 teen-aged brothers who were older than I who were hunters.

7 But I never heard them refer to harvesting or  
8 taking game. I detest those phrases. They're killing animals,  
9 and this business of harvesting and taking, those words just, to  
10 me, represent a mind-set.

11 I'm sorry, Mr. Flores. I know that you use those  
12 words, and that has been peeve of mine for the many years that I  
13 have been listening and reading things that the Fish and Game  
14 Commission has put out.

15 SENATOR KNIGHT: We'll ask him not to use those  
16 kind of words any more.

17 Thank you.

18 In the testimony, you know, it's interesting, but  
19 I would suspect that if we put all of the opposition on the  
20 board, we'd do away with hunting pretty quickly.

21 I come from Michigan and a farm, am very much  
22 aware of animals, and very much aware of hunting and the results  
23 of not hunting in Michigan, for example.

24 We have to do so something because there are no  
25 more mountain lions, there are no more bobcats, et cetera, to  
26 take care of the deer.

27 And in years when it's good for the deer, we see  
28 deer dying of starvation. And you don't want to see that.



1           So, hunting in Michigan is pretty well regulated,  
2 depending on the crop of deer in a year. So, I think hunting is  
3 good.

4           And I would ask for a motion, or I'll make a  
5 motion that we approve -- what's your name --

6                       [Laughter.]

7           SENATOR KNIGHT: -- Michael Flores' nomination.

8           Secretary call the roll.

9           SECRETARY WEBB: Senator Karnette.

10          SENATOR KARNETTE: Aye.

11          SECRETARY WEBB: Karnette Aye. Senator Knight.

12          SENATOR KNIGHT: Aye.

13          SECRETARY WEBB: Knight Aye. Senator Vincent.

14          Senator Burton.

15          SENATOR KNIGHT: If you will, leave the roll open  
16 for Senator Burton.

17          MR. FLORES: Senator, if I could, I'd like to  
18 introduce my family and some of my staff who came here today.

19          SENATOR KNIGHT: Very good. I forgot that.

20          MR. FLORES: Actually, there is a whole lot of  
21 them. Probably if I just ask them to stand up en mass, as  
22 opposed to introducing them.

23                 My wife, my father, my brothers, my sisters, all  
24 back there. There's my son.

25                 I think I have some staff here, too. I'd like to  
26 recognize them as well for their hard work.

27          SENATOR KNIGHT: Very good. Thank you and  
28 congratulations, I think.

1 MR. FLORES: Thank you very much.

2 SENATOR KNIGHT: Senator Burton, you've got the  
3 gavel, and the vote is open.

4 CHAIRMAN BURTON: I'll give him a courtesy vote  
5 for Senator Johnson.

6 SECRETARY WEBB: All right, 3-0 on Mr. Flores?

7 And on Mr. Harper, do you wish to be added?

8 CHAIRMAN BURTON: Yes.

9 SENATOR KNIGHT: You're confirmed, Mr. Flores.  
10 Congratulations again.

11 [Thereupon this portion of the  
12 Senate Rules Committee hearing  
13 was terminated at approximately.

14 3:23 P.M.]

15 --ooOoo--  
16  
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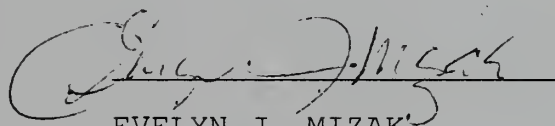
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IN WITNESS WHEREOF, I have hereunto set my hand this 26<sup>th</sup> day of March, 2001.

  
EVELYN J. MIZAK  
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APPEARANCESMEMBERS PRESENT

SENATOR JOHN BURTON, Chair

SENATOR ROSS JOHNSON, Vice Chair

SENATOR BETTY KARNETTE

SENATOR WILLIAM KNIGHT

MEMBER ABSENT

SENATOR ED VINCENT

STAFF PRESENT

GREG SCHMIDT, Executive Officer

PAT WEBB, Committee Secretary

NETTIE SABELHAUS, Consultant on Governor's Appointments

SUSIE SWATT, Consultant to SENATOR JOHNSON

TIM SHELLEY, Consultant to SENATOR KARNETTE

CHRIS BURNS, Consultant to SENATOR KNIGHT

CAROLYN ROBINSON, Consultant to SENATOR VINCENT

ALSO PRESENT

BARRY KEENE, Director  
General Services

WILLIAM BURKE, Ph.D., Member  
Air Resources Board

SENATOR NELL SOTO

CYNTHIA PERALTA-VERDUGO, Member  
South Coast Air Quality Management District Board



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P-R-O-C-E-E-D-I-N-G-S

--ooOoo--

CHAIRMAN BURTON: Barry Keene. Go ahead, Barry.  
We've got your statement of principal for the record.

MR. KEENE: Thank you very much, Mr. Chairman and  
Members. I want to thank the Members and the staff of the  
Committee for helping to provide focus to this confirmation  
hearing.

I'm Barry Keene. The hearing is for the  
Directorship of General Services.

Personally, I'm very grateful for this further  
opportunity for public service, and I hope that you'll find me  
qualified.

I must tell you, the room looks a lot larger from  
down here than it used to look from sitting up there. Your  
accustomed room is being repaired by General Services now, a  
victim -- it's not in the nature of a quid pro quo, you  
understand, but I thought I'd mention it in passing.

The Department of General Services was created in  
the 1950s as the centralized provider of common business  
services to very diverse public agencies, and this was in the  
interest of efficiency. The three main areas were and still are  
real estate, communications, and purchasing commodities.

The funding was provided mainly through a service  
revolving fund, or to use the now familiar technology, at  
General Services, we buy you a hot dog, and you pay us a dollar.

Complaints about the initial control ethic at  
General Services caused it to be transformed into more of a





1 service culture, and we're still trying to do that. Complaints  
2 about inefficiencies caused it to have to compete with private  
3 sector suppliers, and frankly, we welcome that.

4 And that brings us to today, where our largest  
5 problem at General Services is this. Because of the diversity  
6 of services provided, and they're still growing, including many  
7 technology-based new ones, it's fragmented to some extent  
8 delivery, it's reduced coordination, it's diminished some  
9 accountability to our customers. So, we're addressing this  
10 directly through a strategy known as 1 DGS, which I can  
11 elaborate and expand on, if the Committee wishes, at a later  
12 time this morning.

13 On a less theoretical level, we're proudest of  
14 our technological achievements, our performance-based budgeting,  
15 our environmental achievements, and some streamlining  
16 efficiencies. In some areas we still have a very long way to  
17 go, for example: long range capital planning, which the LAO  
18 constantly reminds us of, quite correctly, and in the area of  
19 human resource development.

20 But to sum up, there are about four basic  
21 conundrums that define the balancing act of management in an  
22 organization like General Services. The first is how to achieve  
23 the benefits of centralization in the face of California that's  
24 very diverse, and something -- that diversity is reflected in  
25 its public service expectations.

26 The second is, how to deliver business services  
27 efficiently without imposing undue procedural controls, the red  
28 tape problem.



1           The third is, how to secure the resources to  
2 manage capital over the long run, despite the fact that you have  
3 cyclical changes in the economy and in the desire, and  
4 understandable reluctance to engage in capital investment during  
5 down turns.

6           And the fourth is, how to offer and deliver a  
7 large array of business services in a seamless,  
8 consumer-friendly fashion, and that's the issue that we're  
9 paying most attention to right now.

10           With that opening, I thank you, and I'm prepared  
11 to answer any questions.

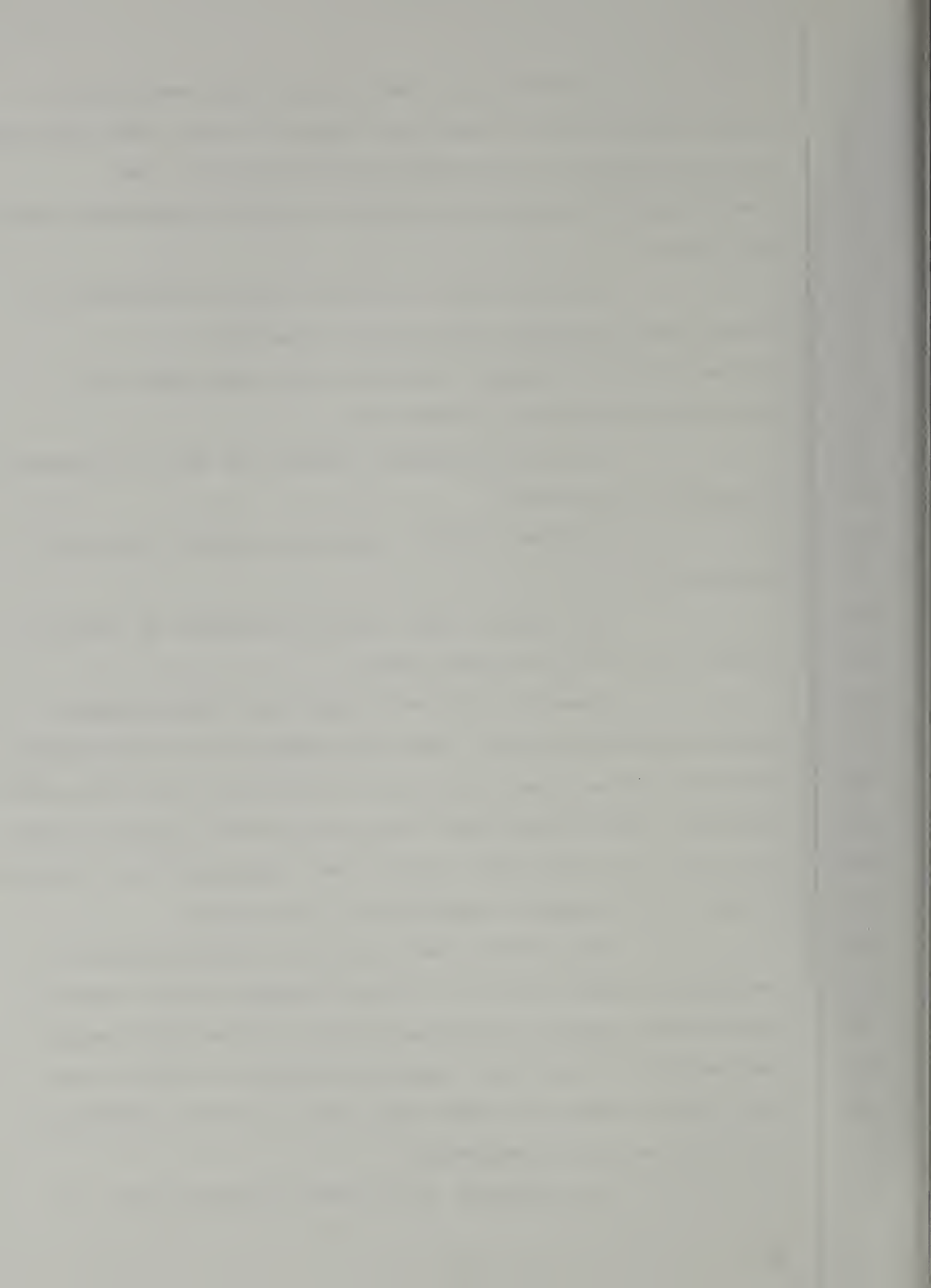
12           CHAIRMAN BURTON: Could you address the inmate  
13 phone calls?

14           MR. KEENE: This has been a problem at several  
15 levels, the prison pay phone issue.

16           Recently, litigation has been filed and been  
17 entertained by the courts. What has happened is, prison phones  
18 have been treated something like, a little bit like a McDonald's  
19 franchise, where whoever gets the bid and makes a profit, share  
20 that profit with the state. That's been objected to as a matter  
21 of policy by a number of Legislators, as you know.

22           The RFP has been issued for the replacement of  
23 the current system, which is a secure system in which inmates  
24 who have been paying a great deal more, will now begin paying  
25 less because the state has capped its profits at \$26 million,  
26 which doesn't sound like much right now, but over a period of  
27 time could be quite substantial.

28           The equipment is currently breaking down. It



1 does need replacement. The RFP, the Request for Proposals, is  
2 something that would go for a three or four year period. And  
3 the reason for that is, whoever invests in that has to recover  
4 the cost of doing business.

5 CHAIRMAN BURTON: What do they charge a minute?

6 MR. KEENE: I don't know what the charge per  
7 minute is, but it's considerably more than you would have to pay  
8 from, say, an ordinary public building or an ordinary pay --

9 CHAIRMAN BURTON: How about 4.99 a minute?

10 MR. KEENE: -- pay telephone. That's very  
11 possible.

12 CHAIRMAN BURTON: What does it charge a minute if  
13 it's the warden, or somebody, calling home or calling long  
14 distance, calling somewhere?

15 MR. KEENE: Well, it would be a lot less. I  
16 don't know the exact number, but it would be substantially  
17 less. This is a problem, and I certainly acknowledge it to  
18 be.

19 Part of it, part of the costs are the security  
20 measures that need to be taken so that people are not called,  
21 for example, the phone calls have to be monitored so that  
22 witnesses are not threatened, so that families are not --

23 CHAIRMAN BURTON: How much does that cost?

24 MR. KEENE: Well --

25 CHAIRMAN BURTON: If you know?

26 MR. KEENE: I don't know. It would be a  
27 percentage of the difference between the current charge  
28 ordinarily and what the prisoners pay now.





1 CHAIRMAN BURTON: It could be five percent, could  
2 be 80 percent.

3 It would seem to me, and I know that people have  
4 very little sympathy for people that are in prison, but it would  
5 seem to me that 4.99 a minute, and let's assume you're at San  
6 Quentin, and your family or your lawyer lives in San Rafael,  
7 which isn't even a toll call, and paying 4.99 a minute just  
8 seems to be kind of exhorbitant. Not quite bordering on cruel  
9 and unusual action.

10 But I would like, and I've talked to Senator  
11 Polanco in Sub 4, I'd like to know exactly what it is. In other  
12 words, how much it costs the state to monitor? Do you monitor  
13 every call with a human being? Do you monitor on tape? How do  
14 you do that; do you know, Barry?

15 MR. KEENE: Yes, they do monitor them with human  
16 beings.

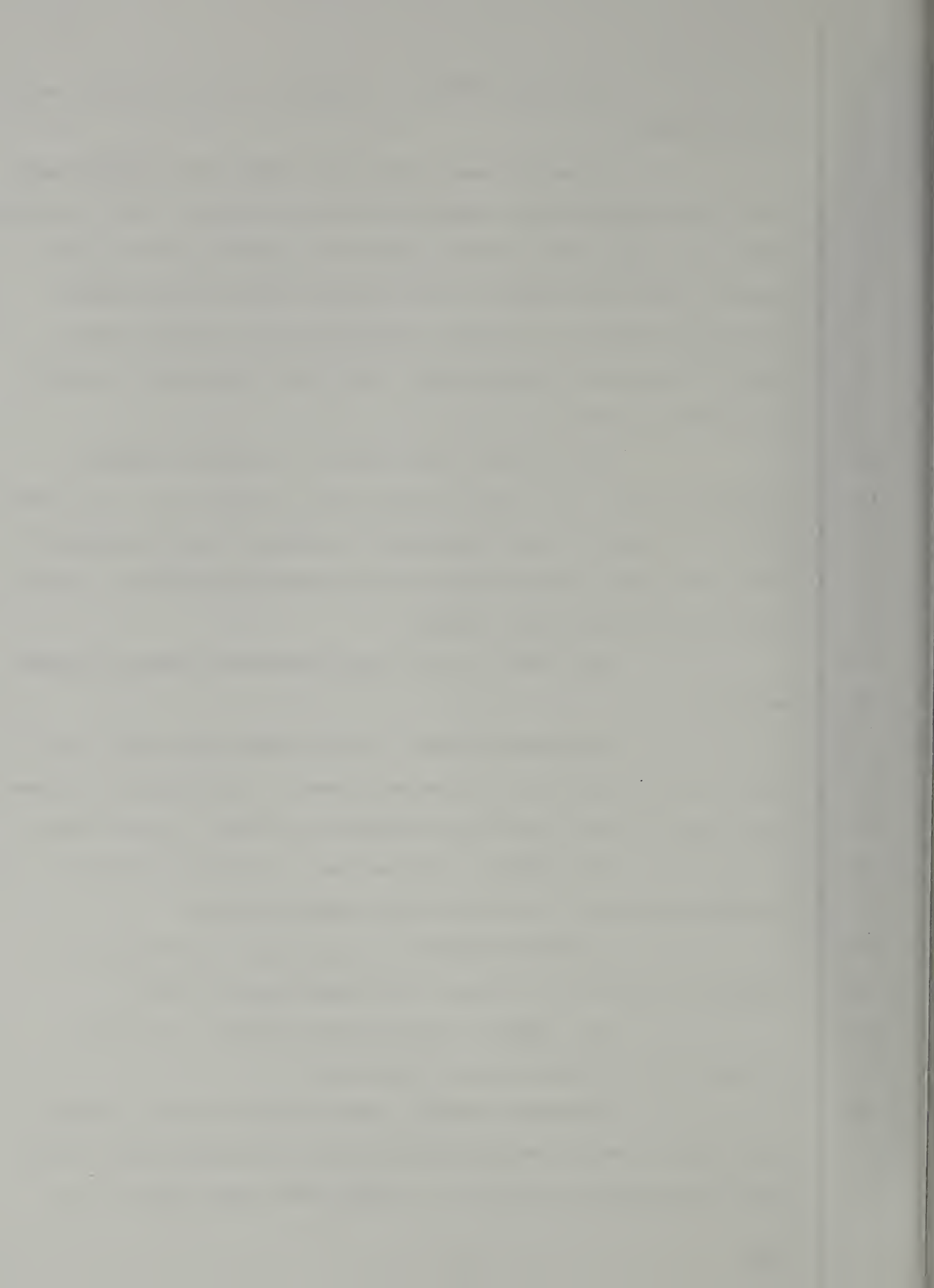
17 CHAIRMAN BURTON: So, you have full-time -- in  
18 other words, there's full-time employees at Corrections that are  
19 just there all day waiting for phones to go out? Do you know?

20 MR. KEENE: I believe so. I believe it's a  
21 continuous process, utilizing full-time employees.

22 CHAIRMAN BURTON: At one time, the money was  
23 supposed to go into, I think, the Inmate Welfare Fund.

24 MR. KEENE: That was one proposal. It is a  
25 system that's utilized by the counties.

26 CHAIRMAN BURTON: That's what they did. Then I  
27 think that it was under Governor Wilson's administration, right  
28 after the deregulation bill. It might have been before. So,



1 it's general funds.

2 But I would ask that you get your staff to figure  
3 out exactly what it is it costs, why these guys are making so  
4 much money, and why they're charging so much money for these  
5 phone calls.

6 I personally think that it's outrageous. They're  
7 charging the recipient of the call. They're charging a family  
8 who, unless it's Ma Barker, really was not guilty or convicted  
9 of anything. They're charging the family of somebody in some  
10 prison for the deeds that that person committed through  
11 absolutely possibly no fault of the families.

12 I just think it's outrageous. I think it ought  
13 to stop. And I've informed the people at Sub 4 to do  
14 something.

15 I mean, if the state's making 26, I guess there's  
16 26 million profit, give or take, for the people on the phone  
17 company, which all in all's not a bad deal for them. No wonder  
18 that they hire people to lobby to get their phone systems in.

19 And Governor Davis, I can see in a moment of  
20 weakness, vetoed a bill requiring the RFPs to be at the lowest  
21 possible cost, taking care of the cost of the hiring the people,  
22 paying the people.

23 How many people do you have to have to do the  
24 monitoring? What do they do when they aren't doing monitoring?  
25 It sounds like, if all they're doing is monitoring, it sounds  
26 like a pretty good position, and I mean this sincerely, for  
27 people going from Welfare to work, because it doesn't seem to me  
28 to take a lot, except the ability to hear and spot a threat, and



1 to get that back to us as soon as you can.

2 SENATOR KARNETTE: Senator Burton, could I follow  
3 up on that, please?

4 CHAIRMAN BURTON: Sure.

5 SENATOR KARNETTE: I visited the CYA recently.  
6 Those young people, most of them will get out, and they really  
7 need to keep in touch with their families.

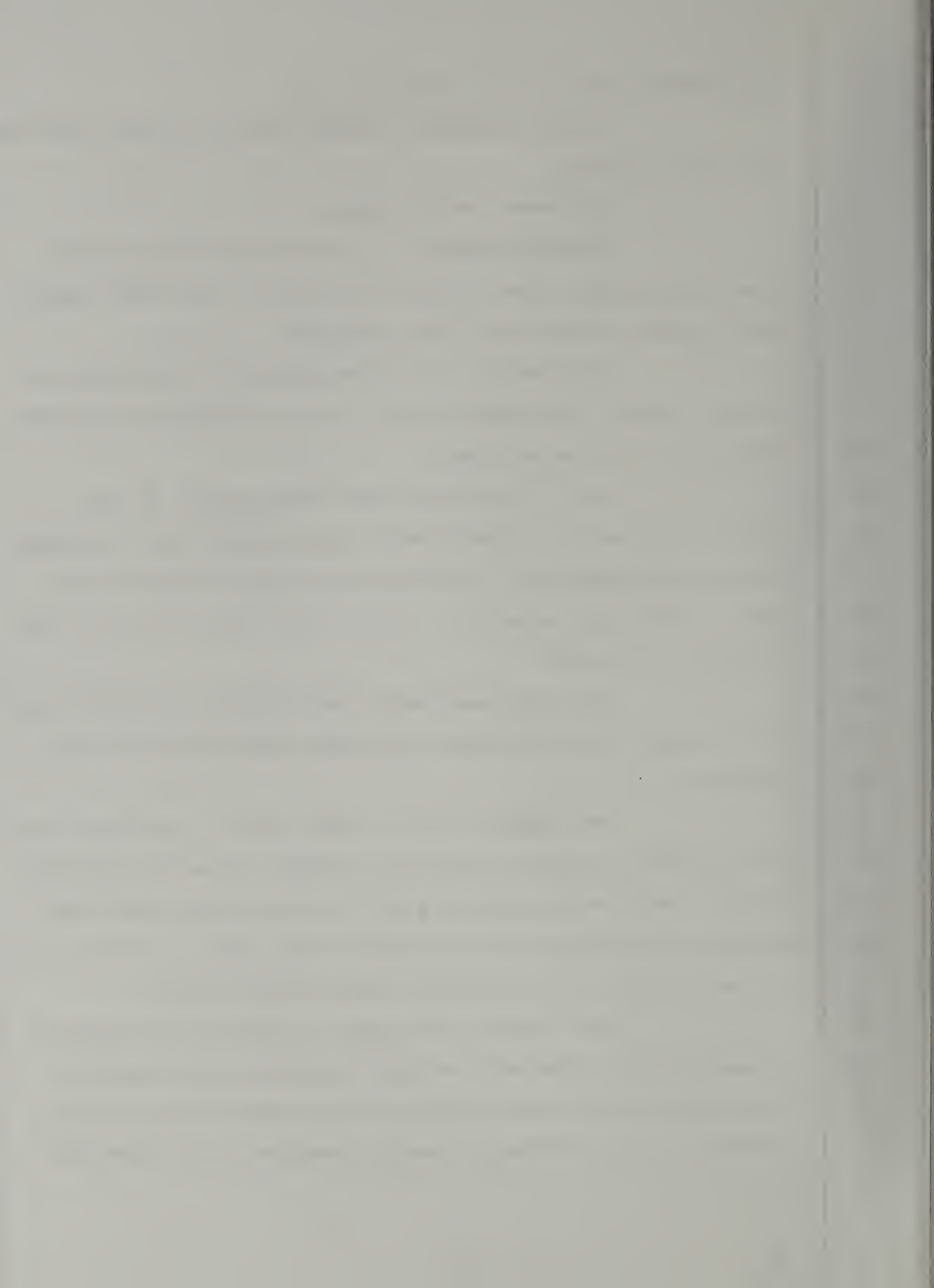
8 My question is, is the contract to everybody in  
9 prison, the CYA, the same contract, or could they have different  
10 contracts and different costs?

11 One of the things that keeps people on the  
12 straight and narrow is their family encouraging them, and these  
13 young people especially. If there's any way to look at that,  
14 maybe if they were separate. I don't think they should be over  
15 charged in any case.

16 But the young people particularly, their families  
17 really need to hear from them, and they need to talk to their  
18 families.

19 MR. KEENE: That's a good point. I must say that  
20 what we mainly looked at, because it seemed to be the principal  
21 focus of controversy, was the profit taking by the state from  
22 the contract profits that accrued with the state as a 50 percent  
23 partner in that. To some extent that was dealt with.

24 Now, Senator, the area of possible differential  
25 between youthful offenders and adult offenders was something  
26 that we did not look at, but that I will look at and certainly  
27 get back to you and other interested Members of the Committee  
28 on.





1 CHAIRMAN BURTON: I guess unless somebody's a  
2 lifer, we hope that when they get out, they'll probably be  
3 encouraged not to come back in. And to the extent that they're  
4 able to establish communication with family, I just think the  
5 whole thing stinks.

6 I think that the providers are making too much  
7 money on the deal, and I think that the state's making money on  
8 the deal, and I think it's outrageous. Again, it's like coming  
9 off of and out of the pockets, by and large, of people that  
10 could probably least afford it, and people, like I say, unless  
11 it was Ma Barker or somebody, that had nothing to do with  
12 anything except that it was a family member who was put in  
13 jail.

14 Senator Johnson.

15 SENATOR JOHNSON: Following up on that just  
16 briefly.

17 What does the federal government do?

18 MR. KEENE: Well, the federal government has a  
19 different system. They also have a different technology and a  
20 different demographic set of prisoners in the federal  
21 penitentiaries.

22 SENATOR JOHNSON: The answer is to get a better  
23 class of prisoners? Is that what you're saying?

24 MR. KEENE: No. I think we have a lot to learn  
25 from the federal system, can at some point, perhaps, deploy the  
26 federal system here in California. It's going to require a  
27 major investment in new technology to do that, but it may well  
28 be worth undertaking.



1 CHAIRMAN BURTON: It's a God damn telephone. We  
2 have telephones. And they can put listening devices on the  
3 telephones. What's the technology, dixie cup and a string? I  
4 mean, there's a pay phone. People call. What's the technology?

5 It is a way for people in the business sector to  
6 make exhorbitant profits, and a way for the state to rip off  
7 some money. It isn't like brain surgery.

8 They have a phone that's collect calls only.  
9 They have them at airports, and there's a way, I'm sure, that  
10 somebody can figure out that they have hearing devices, or, for  
11 want of a better word, bugs in them that people can listen to.

12 It's not like we're curing cancer. You know, it  
13 doesn't -- and this was there before you were there, so it's not  
14 your deal.

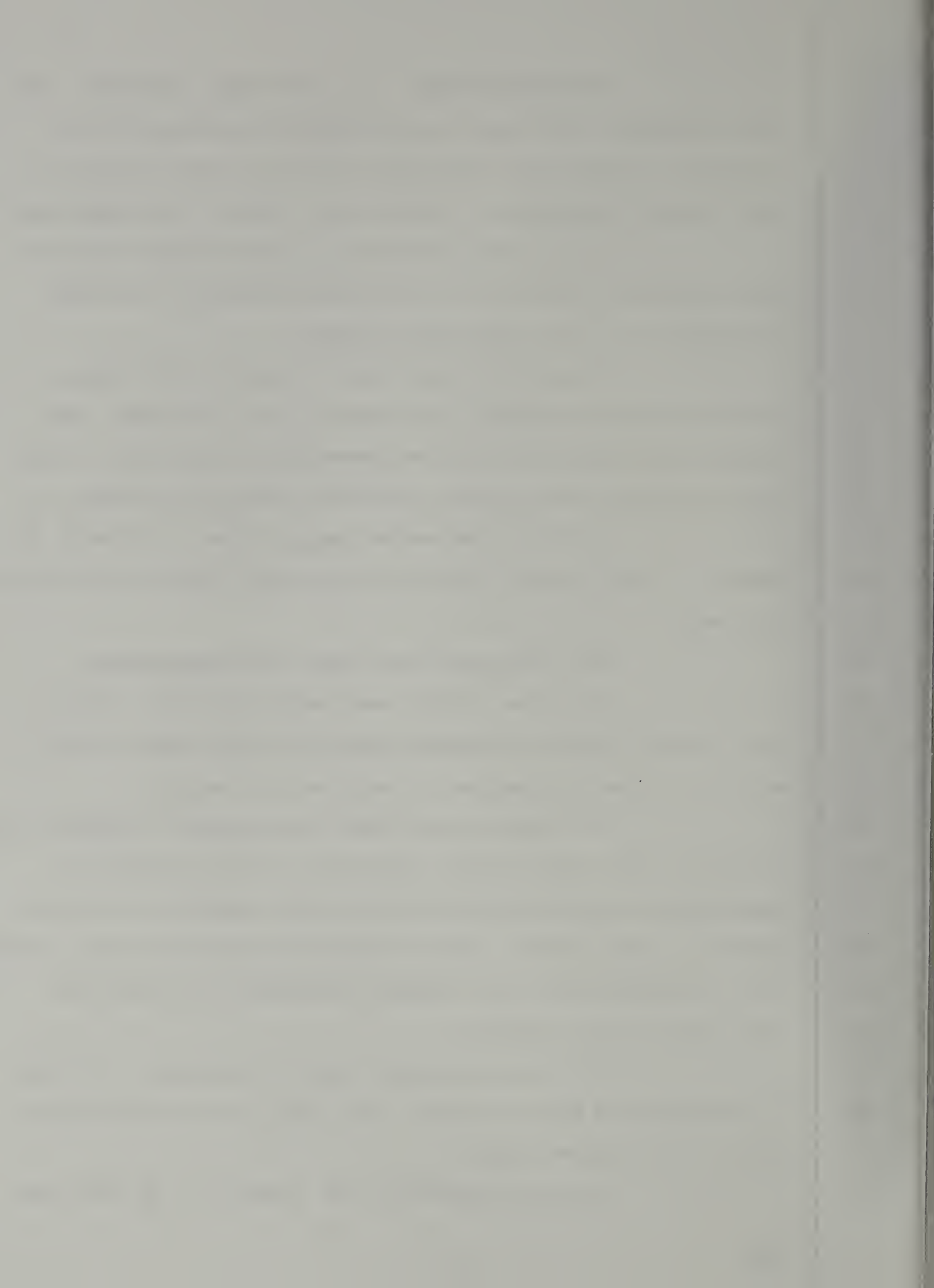
15 But technology, and this, and demographics.

16 You have a thing, and people call out. If you  
17 had a Pac Bell phone, or whoever, and you didn't have to worry  
18 about the threats to people, it would be very simple.

19 You have to worry about the threats to people, so  
20 therefore, you install a bug. Although, I think actually in  
21 some federal prisons they have secure, and nonsecure if you're  
22 talking to your lawyer. But you install a bug in the phone, and  
23 it's listening devise that somebody somewhere, sitting where  
24 ever they sit, can listen to.

25 Not big technology. Not big anything. I think  
26 it's basically a piece of cake. I'll tell you, for \$5 million  
27 profit, I'll figure it out.

28 This is something to be looked at. We know that



1 the Governor isn't crazy about it, but there is fairly strong  
2 bipartisan sentiment that it's not the right thing to do. I  
3 would like to get something back that tells us what's going on,  
4 what these people do that are listening, what they get paid.

5 But the other thing is, there are phones in  
6 airports. There are phones in hotel lobbies that are collect  
7 call only. No big deal. Don't need a lot of technology. It's  
8 just not needed.

9 I want to get that in.

10 SENATOR JOHNSON: Senator Keene, I think there's  
11 considerable bipartisan agreement on that point. Certainly, the  
12 system has to be one that allows for detection of threats, or  
13 intimidation of witnesses, and so on.

14 But I personally feel very strongly that the  
15 state ought not to be making a profit out of this. So, I mean,  
16 I'm personally outraged, the kind of money I've got to put in a  
17 coin box out around town, but to have that be a considerable  
18 upward movement from that is just, it's just not right.

19 I want to change the subject and talk about --  
20 and I want to make sure I'm pronouncing it right -- the  
21 Ziggeraut?

22 MR. KEENE: That's correct.

23 SENATOR JOHNSON: Could you tell me about the  
24 status of that lease, and why that makes sense?

25 MR. KEENE: The Legislature mandated that three  
26 agencies be consolidated at the east end. By the time the east  
27 end project --

28 CHAIRMAN BURTON: East end?





1 MR. KEENE: I'm sorry, the east end of Capitol  
2 Park, the large project out there.

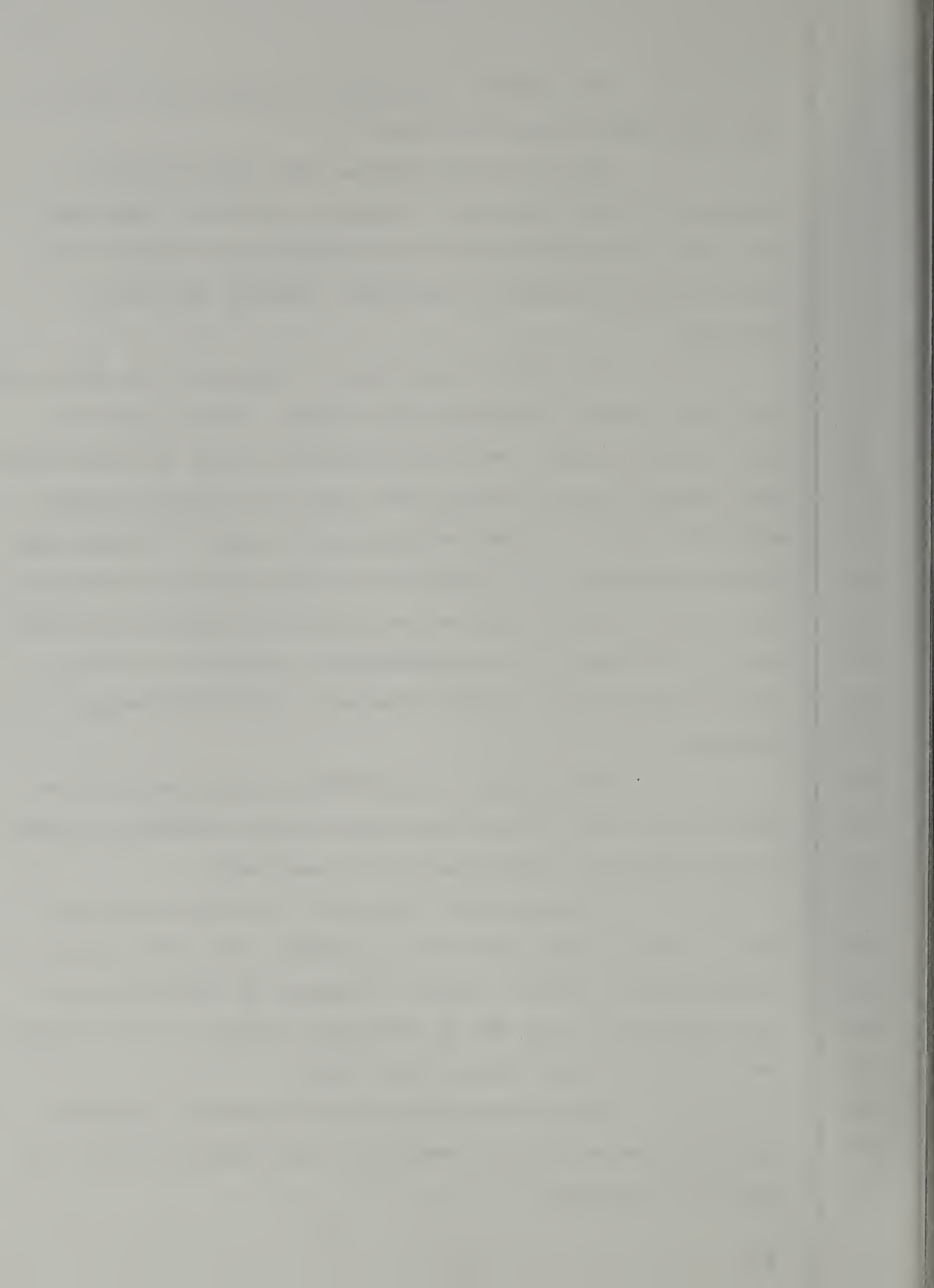
3 And the three agencies were Health Services,  
4 Education, and the Department of General Services, which has  
5 never had the luxury of being consolidated, even though we're  
6 making desperate efforts to develop a seamless delivery of  
7 services.

8 The east end was short by precisely the amount of  
9 space that General Services was to occupy. We were told to  
10 start looking around. We started looking around, and about that  
11 time, actually shortly before that time, the Ziggeraut became  
12 available, and it represented exactly the number of square feet  
13 that was necessary. It looked like an impossibility because of  
14 the objections of the City of Sacramento to movement across the  
15 river. It looked like an impossibility because it's a well  
16 constructed building, energy efficient, and attractive and  
17 different.

18 And because of the difficult position that the  
19 lessor found itself in, we were able to get a tremendous bargain  
20 for the taxpayers, and it exactly fit our needs.

21 I guess that's the answer. We wound up with a  
22 lease. And if, after the first six months, they don't produce a  
23 purchase option, which a number of Members of the Legislature  
24 were interested in, we get an additional benefit of \$6.7 million  
25 over the 15 to 18 year term of the lease.

26 We're hopeful that they'll produce a purchase  
27 option because we think it would be a good acquisition for the  
28 people of California.



1           SENATOR JOHNSON: I don't want to belabor this,  
2 and unfortunately, I have to leave momentarily for another  
3 meeting.

4           This is, what, two dollars and fifty cents a  
5 square foot overall? How many million dollars a month?

6           You used the phrase, bargain, and it seems to me  
7 that this is not necessarily cheap.

8           MR. KEENE: Well, it turns into a terrific  
9 bargain for this reason. It's about 2.20 per square foot, plus  
10 the energy costs, which is typical of these kinds of leases.  
11 It raises, over 15 years, to three-and-a-quarter per square  
12 foot.

13           What we'll have to pay in downtown Sacramento  
14 when the current generation of leases -- we went to leasing as  
15 sort of a deferred maintenance during the period of recession in  
16 California. Now we have 8 million square feet of leases in the  
17 Sacramento area alone. So, those leases will cost in excess of  
18 three dollars a square foot, the leases that have to be renewed  
19 over the next couple of years.

20           SENATOR JOHNSON: But typically, would you be  
21 leasing a building? This building, a lot of it -- this was a  
22 corporate headquarters -- a lot of it is, as I understand it, to  
23 say the least, opulent offices.

24           CHAIRMAN BURTON: Are you talking about the Money  
25 Store?

26           SENATOR JOHNSON: Yes, the Money Store.

27           I wondered what Ziggeraut meant, if that meant  
28 white elephant in some language I'm not familiar with.



1 But how is this immediately transferrable into  
2 usable space for state employees? Who's going to be occupying  
3 the offices with the balconies, and who's in charge of the koi  
4 pond, and the waterfall, and this stuff.

5 MR. KEENE: Well, what I can tell you is this,  
6 economically, this is a tremendous deal for the taxpayers of  
7 California for several reasons. One is that we're in an  
8 artificial marketplace if we engage in smart growth and  
9 development, and keep everything in Sacramento, and pretend that  
10 the area across the river doesn't exist. So, this is a step  
11 across the river where things are much cheaper than they are in  
12 downtown.

13 SENATOR JOHNSON: That's certainly not an issue  
14 in my mind, that it's not in the City of Sacramento, that it's  
15 on the other shore. That's not an issue in my mind.

16 But an issue that's somewhat a serious issue in  
17 my mind is where could the owners, or in fact the folks who had  
18 19 years to run on a lease, where could they have found someone  
19 other than the State of California to take over that lease for  
20 them is concern of mine.

21 Then secondly, is it really that usable in terms  
22 of space for state agencies. The higher up you get in the  
23 building, the more luxurious the accommodations they are. I  
24 just really question the need for those kinds of accommodations,  
25 and what's going to have to be done with the building to make it  
26 more usable for state employees.

27 Having said that, I also, having known you for  
28 many years, believe you're a well-qualified individual, and





1 certainly intend to support, if I get a chance before I leave,  
2 your confirmation.

3 MR. KEENE: Thank you, Senator.

4 CHAIRMAN BURTON: Senator Knight, quickly.

5 SENATOR KNIGHT: Thank you, Mr. Chairman.

6 I was going to ask, are you going to move your  
7 offices across the river?

8 MR. KEENE: Yes, in fact.

9 SENATOR KNIGHT: I'm just kidding.

10 [Laughter.]

11 SENATOR KNIGHT: I've got another question. I  
12 don't want to know what floor you're going to be on.

13 MR. KEENE: I think it's number seven. We're  
14 going to break up the opulent --

15 SENATOR KNIGHT: I've got a question concerning  
16 the Disabled Veterans Business Enterprises. By law, three  
17 percent of contracts are supposed to go to these individuals,  
18 these veterans.

19 What are we doing to make sure that that happens?

20 MR. KEENE: We're engaged in extensive  
21 monitoring. We're working much more closely with the disabled  
22 veterans groups to assure that it is happening. We're hopeful  
23 that we're doing a better job than before.

24 We have not yet reached the goals we would like  
25 to reach with that program.

26 The same thing is true of small business. We're  
27 a little bit further ahead with small business than we are with  
28 disabled veterans.



1           SENATOR KNIGHT: What percentage are we at right  
2 now, approximately?

3           MR. KEENE: I'll have to check. I'll have to  
4 check the numbers. I have the numbers with me.

5           SENATOR KNIGHT: I'd like to know where we are,  
6 and what we plan to do to improve that situation.

7           Thank you.

8           MR. KEENE: The estimates of DVBE participation  
9 are approximately 2.75 percent of the let contracts over the  
10 last fiscal year. So, we're close to the three percent  
11 participation goal. It was met twice over a four-year period.  
12 It was met two out of the four years, but the over all is 2.75,  
13 so we're not quite up to the three percent.

14          SENATOR KNIGHT: Three percent is a goal, so  
15 there's nothing that prevents us from going over three percent.  
16 It's not a max.

17          MR. KEENE: No, it's a goal.

18          SENATOR KARNETTE: Could I move.

19          CHAIRMAN BURTON: Moved by Senator Karnette.

20          First of all, do you have family here, Barry?

21          MR. KEENE: I do have family here. Perhaps they  
22 can stand up in order to save the Committee time.

23          CHAIRMAN BURTON: Witnesses in support,  
24 briefly. I think the Building Trades and Oracle.

25          Witnesses in opposition.

26          Hearing none, moved by Senator Karnette.

27          Any objection, all Members who are on the roll be  
28 recorded aye.



1                   Congratulations, Barry.

2                   MR. KEENE: I want to thank you very, very much.  
3                   Thank you.

4                   CHAIRMAN BURTON: Senator Soto.

5                   Why don't you bring them both up and save some  
6                   time, William Burke and Cynthia Verdugo-Peralta.

7                   SENATOR SOTO: Thank you very much, Mr. Chairman  
8                   and colleagues, Mr. Burke.

9                   It is my pleasure to present Dr. Burke.

10                  CHAIRMAN BURTON: What are you doctor of, if I  
11                  may ask?

12                  DR. BURKE: Education.

13                  CHAIRMAN BURTON: Oh, yeah, one of those.

14                  SENATOR SOTO: I've known Dr. Burke for a long,  
15                  long time. In his career, he has had many, many leadership  
16                  positions and an outstanding citizen of the City of Los  
17                  Angeles.

18                  I guess I met Dr. Burke at his very first year up  
19                  here when he was working at the Capitol in about 1966.

20                  CHAIRMAN BURTON: He was doing radio for Speaker  
21                  Unruh.

22                  DR. BURKE: Do you remember that?

23                  CHAIRMAN BURTON: I remember the salary, but I'm  
24                  not going to tell anybody.

25                  DR. BURKE: I'm ashamed of it.

26                  SENATOR SOTO: I have had the pleasure of knowing  
27                  Dr. Burke for all those years. But specifically, in the last, I  
28                  imagine it's been the last eight to ten years that we've worked





1 very closely.

2 Besides many of the positions that he has had in  
3 leadership in the City of Los Angeles, and I'll name just a few,  
4 we served together on the AQMD Board of Directors, of which he  
5 is now the President. He is now President of the City of Los  
6 Angeles Marathon, and he has presided over the American Health  
7 Care Delivery Corporation, and has served on the Gold Mining  
8 Industry as Chairman of the Board position of Genesis  
9 International at the L.A. based mining development holding  
10 company. And from 1981 to 1984, he supervised the planning and  
11 construction of mining concessions in Liberia, West Africa, for  
12 the World Mining Development Company.

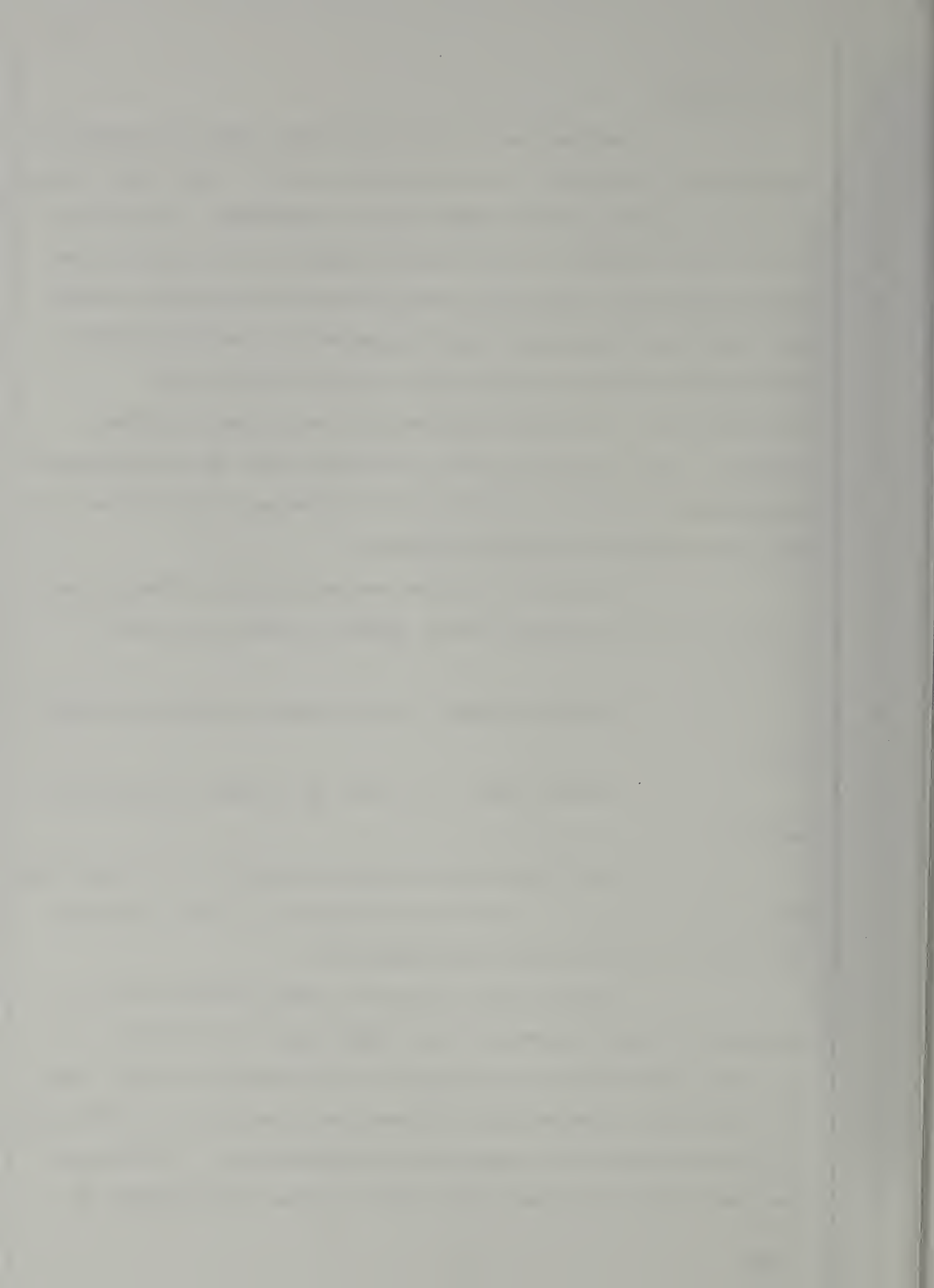
13 In 1984, Dr. Burke was appointed as Commissioner  
14 of Tennis for the Summer Olympic games in the City of Los  
15 Angeles.

16 CHAIRMAN BURTON: Do you want to get up to about  
17 1998.

18 SENATOR SOTO: I'll get up to that a little bit  
19 sooner.

20 That's just one of many things that Dr. Burke has  
21 done in his history. I won't go through all of them, because  
22 it's quite extensive and very impressive.

23 The one that I know Dr. Burke the best for is  
24 because we served together on the AQMD Board of Directors. He  
25 had been appointed by the Speaker of the Assembly at that time,  
26 in 1993, and I started with the Board of Directors in 1993, just  
27 a little bit after Dr. Burke had been appointed. I served on  
28 that Board for four-and-a-half years and had the pleasure of



1 nominating him and voting for him to serve as President of the  
2 AQMD Board of Directors in 1984 [sic]. He has since then been  
3 elected again and appointed this time by the Governor to serve  
4 on the Board again.

5 So, I am asking for your approval of Dr. Burke as  
6 Chairman. But I thought a little bit of his background on his  
7 education, if you don't mind, Dr. Burke. I think it's  
8 impressive.

9 CHAIRMAN BURTON: It doesn't bother him, but  
10 we've got a time problem.

11 SENATOR SOTO: I'll just tell you, he has  
12 multiple degrees: Bachelor of Science from Miami University;  
13 Doctorate of Education from the University of Massachusetts;  
14 two other honorary doctorates.

15 Among other awards in the '60s, Dr. Burke has  
16 received a Meritorious Service Award from the City of Los  
17 Angeles; the First Annual Living Legends Award; the Humanitarian  
18 Award from the Mid City Chamber of Commerce; and the Green Tower  
19 Foundation as the Man of the Year Award.

20 Dr. Burke is married to L.A. County Supervisor  
21 Yvonne Burke, and they have two daughters, Christine and Autumn.

22 I'm very honored to be presenting to you today  
23 Dr. William Burke.

24 DR. BURKE: Senator, I can cut mine to thank you  
25 and thank you. It starts with thank you and ends with thank  
26 you, in the interests of time, if you'd like me to.

27 [Laughter.]

28 CHAIRMAN BURTON: We do have the statement of



1 your goals.

2 Senator Knight, do you have any questions?

3 SENATOR KNIGHT: No questions, Mr. Chairman.

4 CHAIRMAN BURTON: Senator Karnette?

5 SENATOR KARNETTE: No questions.

6 CHAIRMAN BURTON: What did you do with that 500 a  
7 month.

8 [Laughter.]

9 DR. BURKE: Don't tell these people that.

10 CHAIRMAN BURTON: Basically you have support.

11 There's one question about the Air Resources  
12 Board that, when they were developing the state's implementation  
13 plan, then basically to get it implemented, some of the enviros  
14 had to file suit.

15 Do you know what led them to that action at  
16 all?

17 DR. BURKE: Which suit, sir?

18 CHAIRMAN BURTON: You're supposed to answer  
19 questions, not ask them.

20 [Laughter.]

21 CHAIRMAN BURTON: I don't know. It's a couple  
22 questions here, they were talking about the fact that when you  
23 were doing the state's implementation plan, they were slow in  
24 dealing with it. So, it was in 1997, September 18, to be exact.

25 Can you recall back that far?

26 DR. BURKE: You're talking about AQMD.

27 CHAIRMAN BURTON: Right.

28 DR. BURKE: Yes. That lawsuit was indeed filed by





1 the enviros and was settled out of court when we came up with  
2 some methods by which we speeded up and corrected the situations  
3 which they were concerned about.

4 It was part of an effort which was led by myself  
5 and Senator Soto to correct the situation, which we felt was  
6 untenable ourselves within the district. It had been, at best,  
7 insensitive to the needs of the environmentally challenged.

8 What I immediately did after that lawsuit was  
9 settled, I was elected Chairman. And the day I was elected  
10 Chairman, I issued an environmental justice initiative, which  
11 set out a ten-point program, which has been accomplished, I'm  
12 proud to say, in the two years of my first term as Chairman.

13 CHAIRMAN BURTON: What in your judgment are the  
14 most effective ways for local air districts to ensure that  
15 regulated facilities comply with the standards?

16 DR. BURKE: I think it's going to take both a  
17 combined system of command and control, and reclaimed credit  
18 system. It's a very delicate balance to keep the economy  
19 rolling and the people protected.

20 But what I'm probably most proud of is the fact  
21 that when I came to the AQMD, there was a very contentious  
22 relationship with both the Legislature and the community at  
23 large. Over the past five years, I think we've made some  
24 significant strides in both mending our relationships with the  
25 Legislature and moving out to reach out to those people who had  
26 unfortunately in the past not been at the table in air quality  
27 issues in Southern California.

28 Our district represents 41 percent of the



1 population of this state. And quite frankly, a large majority  
2 of those people were not involved in the decision-making process  
3 at all. And that's, I feel, why Senator Soto is here today,  
4 because we bucked some pretty strong winds initially to get that  
5 turned around, and I think we have.

6 CHAIRMAN BURTON: Senator Knight.

7 SENATOR KNIGHT: Just one question.

8 Would you support eliminating the veto authority  
9 of air boards on the transfers air credits from one air district  
10 to another?

11 DR. BURKE: Would I support the veto --

12 SENATOR KNIGHT: Eliminating the veto authority  
13 of air boards on the transfer of air credits from one air  
14 district to another?

15 We've got a new power plant that's being built in  
16 Victorville in the Antelope Valley.

17 DR. BURKE: Let me tell you, in the area of power  
18 plants, I'm not quite sure where I'd be to the credit issue  
19 because I think we need to be able to shift credits around the  
20 state to provide so that power plants can be built as  
21 expeditiously as possible.

22 So, what we did at AQMD just two weeks ago was,  
23 we allocated two-and-a-half million dollars to the permit  
24 processing unit of AQMD so every permit not only goes through --  
25 you know, it used to be that they get backed up in the AQMD for  
26 a substantial length of time. Now if you come to South Coast  
27 and you're not out in six months, somebody loses their job.

28 SENATOR KNIGHT: Okay. I have no other



1 questions.

2 CHAIRMAN BURTON: One air basin is somewhat  
3 different than other air basins.

4 SENATOR KNIGHT: I guess the air in the L.A.  
5 basin is certainly completely different than the air basin in  
6 the Antelope Valley or the Victor Valley.

7 CHAIRMAN BURTON: My point exactly.

8 Senator Karnette.

9 SENATOR KARNETTE: The ZEVs, do you have any  
10 position on how to work with the idea that we have more ZEVs,  
11 you know, motorists with increased costs?

12 DR. BURKE: I wish you hadn't asked me that  
13 question, Senator.

14 SENATOR KARNETTE: Well, I'm on Transportation.

15 DR. BURKE: I voted for the ZEV mandate bill  
16 because I understand that the technology must be pushed forward,  
17 not only in this state, but in this country and in the world.

18 But I have grave reservations if electric vehicle  
19 technology is our answer. And I am concerned as it relates to  
20 CARB's kind of blind moving forward with electric vehicles only,  
21 when there are other technologies out there which could provide  
22 us with more bang for the buck.

23 And when you have cars that are running on  
24 natural combustion engines, and their emissions are cleaner than  
25 the air that they're taking in, I think that, you know, you're  
26 really on the cutting edge of technology, and you really need to  
27 even encourage that technology more.

28 So, I've seen in the last six months some





1 technology breakthroughs that are just incredible. These micro  
2 turbines that they put in cars, they can burn diesel, and the  
3 emissions are less than they are in ultra-low emission  
4 vehicles.

5 So, why would you not take some of this money  
6 that you're forcing these car manufacturers to use and encourage  
7 this other technology, too?

8 I know we have a time problem, but I had the real  
9 pleasure of discussing this issue with Dr. Ballard, who invented  
10 the fuel cell. And he looked at me and he said, you know, very  
11 directly, "If you think that three guys sitting around a  
12 cocktail table at night at my house 15 years ago designed the  
13 answer to the energy problem in the world, you've got to be  
14 nuts."

15 He said it was just three guys sitting around a  
16 cocktail table. He said there are now 17,000 people a day  
17 working full time on trying to solve this problem. He says we  
18 probably don't even know what the answer is out there yet,  
19 because there are so many technologies coming so fast and so  
20 furious.

21 So, I'm not sure that we ought to -- the New York  
22 Times said that California had had the political will to pass  
23 the ZEV mandate, but now does not have the political will to  
24 re-evaluate it, and I kind of agree with that.

25 SENATOR KARNETTE: Spoken like a real scientist.

26 CHAIRMAN BURTON: Are you a scientist?

27 DR. BURKE: No, you know I'm not a scientist.  
28 You know what I really am. That's why I'm here.



[Laughter.]

CHAIRMAN BURTON: I'm wondering about your interest all this stuff.

Did you bring the family up, Bill?

DR. BURKE: No, I came by myself.

SENATOR KARNETTE: Move it.

CHAIRMAN BURTON: Moved by Senator Karnette.

Anybody in opposition?

FROM THE AUDIENCE: The Truckers actually want to support.

CHAIRMAN BURTON: Fine. You have Don Brown next with the Truckers for him. It augers well for people, they're supportive of you.

Any objection, all Members are on the roll saying Aye. Passed by the Committee.

Congratulations.

DR. BURKE: Thank you very much.

CHAIRMAN BURTON: Now, you tell the Supervisor that she owes me a big one because you guys can take your trip.

DR. BURKE: I will pass that along directly.

CHAIRMAN BURTON: Senator Soto.

SENATOR SOTO: Thank you, Mr. Chairman.

I now you have pleasure of introducing and presenting to you for approval is the Governor's appointee, Cynthia Verdugo-Peralta as his representative on the AQMD Board of Directors.

Ms. Peralta is a state-certified energy efficiency specialist and has been for 27 years in the utility



1 industry. And over the years, she's provided expert testimony  
2 in the areas of energy and the environment for the California  
3 Public Utilities Commission, the California Council for  
4 Environmental and Economic Balance, the Federal and State  
5 Environmental Protection Agencies, the Metropolitan Water  
6 District of Southern California, and the AQMD, and other  
7 utilities regulatory agencies.

8 I'm not going to go into any more of her  
9 background because, as you can see if you have her resume in  
10 front of you, she's very well qualified.

11 But I did serve with Cynthia -- excuse me, Ms.  
12 Peralta -- for about three or four year on the AQMD Committee  
13 for Ethnic Communities. We were very instrumental in turning  
14 around the hiring practices at the AQMD Board of Directors to  
15 take into consideration more minority contracts and more  
16 minority hirings. So, I can attest to Ms. Peralta's concern for  
17 those things, and also concern for environmental justice.

18 I know that she will make a very, very good  
19 member of the Board, and has been serving now for, I think,  
20 about six or seven months. And I recommend her approval for the  
21 AQMD Board of Directors.

22 CHAIRMAN BURTON: Senator Knight.

23 SENATOR KNIGHT: No questions, Mr. Chairman.

24 CHAIRMAN BURTON: Senator Karnette.

25 SENATOR KARNETTE: No questions.

26 CHAIRMAN BURTON: Could you give a comment on  
27 what the Board's plans may be to address the issue of  
28 environmental justice, and how you mitigate disproportionate





1 health impacts on low income minority populations?

2 I don't know what they do down there, but in the  
3 district I represent, they tend to put plants and certain  
4 polluting things in areas where the community, they would think,  
5 doesn't have the political strength to overcome them. Although,  
6 fortunately in several instances, we have.

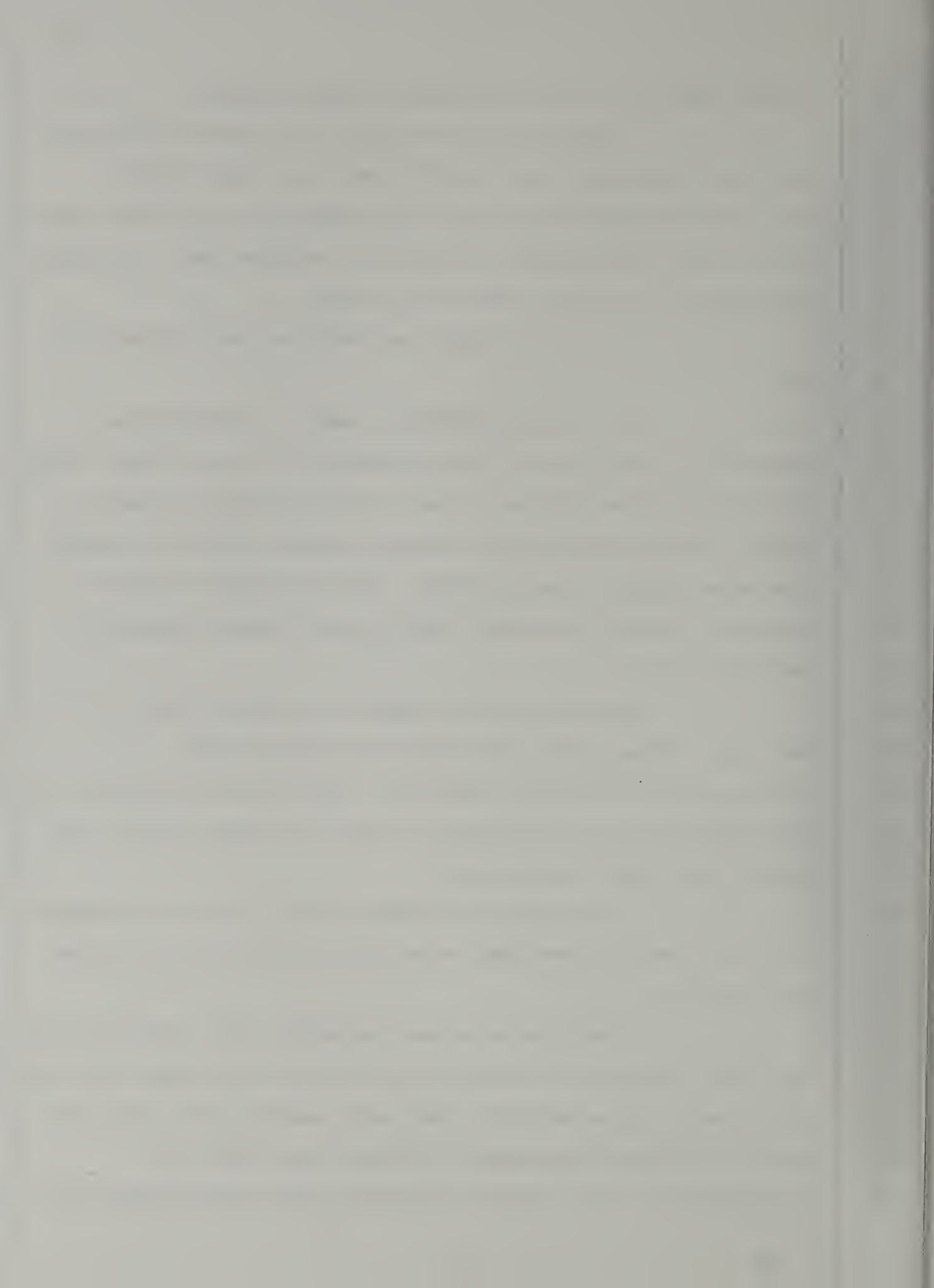
7 So, if you could just address your thoughts on  
8 that.

9 MS. VERDUGO-PERALTA: What the district has  
10 presently is, we have the Ethnic Community Advisory Group, which  
11 consists of three caucuses. There are ten members to each  
12 caucus. One is the African American Caucus, the Latino Caucus,  
13 the Asian Pacific Islander Caucus. And from each of those  
14 caucuses, there's one member that's also a Native American  
15 representative.

16 We encourage the public to come to those  
17 meetings. Those members are representatives of the  
18 constituencies out in the community. They bring the concerns of  
19 the community to that particular board, and then, in turn, we  
20 bring that to the regular board.

21 I know that the AQMD has done a lot of workshops,  
22 a lot of town hall meetings, especially in areas of low income  
23 and diversity.

24 There has also been an effort that I have seen at  
25 the AQMD, because I've been working with them for about the last  
26 eight years, and even before that was observing them, and it's  
27 been a 180-degree turnaround of the way that they are  
28 outreaching to the community and making sure that everybody has



1 a voice. They will actually go out there to, let's say, a small  
2 business, a minority small business, to try and work with them  
3 if it has anything to do with a compliance or a permitting  
4 issue. So, there has been a lot of effort on their part.

5 CHAIRMAN BURTON: Any other questions?

6 SENATOR KARNETTE: I have one question about the  
7 ethanol, and whether requiring that to be transported into  
8 communities surrounding refineries.

9 How will this be addressed, because it's going to  
10 come up, I'm sure.

11 MS. VERDUGO-PERALTA: Well, our staff has been  
12 very diligent in trying to --

13 CHAIRMAN BURTON: Ethanol or methanol?

14 SENATOR KARNETTE: This is ethanol in this  
15 question here. Methanol, too, though.

16 CHAIRMAN BURTON: Methanol's corn; isn't it?

17 SENATOR KARNETTE: Methanol is corn, but we're  
18 not using that yet.

19 MS. VERDUGO-PERALTA: Any of the toxics that they  
20 have had a concern over -- for instance, even amonia, amonia  
21 slippage on some of the power plants on the types of selective  
22 catalytic reduction emission controls -- any type of toxic that  
23 may be coming into a particular area, the staff that we have,  
24 they make sure that they know what the emissions are going to  
25 be, and how that's going to affect the surrounding community.

26 SENATOR KARNETTE: I've been involved when I was  
27 teaching. I taught in an area in Wilmington, and this was  
28 really a serious concern with all those refineries.



1 CHAIRMAN BURTON: Did you bring any family  
2 members.

3 MS. VERDUGO-PERALTA: Yes, sir. I brought my  
4 husband, Art Peralta, who's a forester and wood product  
5 specialist.

6 CHAIRMAN BURTON: Welcome, sir.

7 Any witnesses in opposition? We'll notice the  
8 Truckers are here, supporting ZEV and other things.

9 Moved by Senator Knight. Any objection to the  
10 Members on the Committee present that the roll be recorded?  
11 Hearing none, Ayes four, Noes none.

12 Congratulations on your confirmation.

13 SENATOR SOTO: Thank you very much, Committee.

14 [Thereupon this portion of the

15 Senate Rules Committee hearing

16 was terminated at approximately.

17 2:26 P.M.]

18 --ooOoo--  
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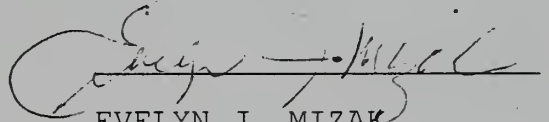
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I further certify that I am not of counsel or attorney for any of the parties to said hearing, nor in any way interested in the outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 3<sup>rd</sup> day of April, 2001.

  
EVELYN J. MIZAK  
Shorthand Reporter





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APPEARANCESMEMBERS PRESENT

SENATOR JOHN BURTON, Chair

SENATOR ROSS JOHNSON, Vice Chair

SENATOR BETTY KARNETTE

SENATOR WILLIAM KNIGHT

MEMBERS ABSENT

SENATOR ED VINCENT

STAFF PRESENT

GREG SCHMIDT, Executive Officer

PAT WEBB, Committee Secretary

NETTIE SABELHAUS, Consultant on Governor's Appointments

SUSIE SWATT, Consultant to SENATOR JOHNSON

TIM SHELLEY, Consultant to SENATOR KARNETTE

CHRIS BURNS, Consultant to SENATOR KNIGHT

CAROLYN ROBINSON, Consultant to SENATOR VINCENT

ALSO PRESENT

DAVID CARLISLE, M.D., Ph.D., Director  
Office of Statewide Health Planning and Development

DAVID QUACKENBUSH  
California Hispanic Health Care Association

BETH CAPELL  
California Physicians Alliance, Health Access, SEIU

RICHARD BROWN, M.D.  
Public Health Professor, UCLA

CRAIG A. COPELAN  
Professional Engineers in California Government



1 ROBERT BROOK, M.D.  
2 Professor of Medicine, UCLA  
3 RAND Health

4 HOWARD L. HARRIS  
5 California Health Policy & Data Advisory Committee

6 PETER SILVA, Member  
7 State Water Resources Control Board

8 JACKSON GUALCO  
9 Imperial Irrigation District and  
10 Modesto Irrigation District  
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## P-R-O-C-E-E-D-I-N-G-S

--oo0oo--

CHAIRMAN BURTON: Have a seat, please, Doctor.

Go ahead, Doctor, please.

DR. CARLISLE: Mr. Chairman and Members of the Senate Rules Committee, I am David M. Carlisle.

I truly appreciate this opportunity to present before, seeking confirmation of my appointment as Director of the Office of Statewide Health Planning and Development.

At this point I'd like to introduce to the Committee: my wife, Dr. Sylvia Carlisle; my son David; my daughter Amy; my mother Alma Carlisle; and my Aunt Joyce.

I bring to the office over 20 years of experience in health care, with a chief emphasis on the needs of underserved communities. This experience includes 9 years as an academician and researcher on the faculty of the UCLA School of Medicine, and 11 years as a health care provider at the Watts Health Foundation, Kaiser Permanente, UCLA, and the Venice Family Clinic where I continue to serve as a volunteer physician.

I also bring familiarity with the office, having served as a consumer representative on three OSHPD committees since 1992.

I intend to achieve three major goals during my tenure as Director. These are, one, redefining the mission of the office to be that of promoting accessibility to health care so that Californians are able to find health care facilities and





1 providers when and where they need them.

2 Two, fully utilizing the informational,  
3 programmatic, and analytic capabilities of the office to address  
4 California's needs in the area of health policy.

5 And three, improving the operational effectiveness  
6 of the office in order to make it more responsive to the health  
7 care needs of all Californians.

8 My objective is to position OSHPD to serve as a  
9 tremendous resource for the administration, Legislators,  
10 consumers, researchers, prospective health care professionals,  
11 and other health policy stakeholders on such issues as: quality  
12 of health care; developing the health care workforce of the  
13 future; and promoting access to health care.

14 It is indeed a tremendous honor to be asked by  
15 Governor Gray Davis to serve his administration and the people of  
16 this great, complex, and wonderfully diverse state. I will do my  
17 utmost to meet the challenges and responsibilities of this  
18 position.

19  
20 Thank you.

21 CHAIRMAN BURTON: Thank you, Doctor.

22 Do you know about how much the state spends on  
23 programs to increase health professionals in underserved areas of  
24 the state, like possibly the inner cities, and more likely the  
25 boondocks and the rural areas?

26 DR. CARLISLE: I'm not familiar with total state  
27 expenditures in this area, but our office spends approximately \$5  
28



1 million on such programs out of our budget.

2 CHAIRMAN BURTON: Have you been there long enough  
3 to know whether that's adequate, inadequate, or overly generous?

4 DR. CARLISLE: Well, I think we still have  
5 underserved areas in California, despite the best of our efforts.

6 One of my chief targets is to increase our  
7 activities in this area. I'd like to see us really expand our  
8 efforts to promote the provision of health services in  
9 underserved areas.

10 CHAIRMAN BURTON: Are they mostly rural areas that  
11 are underserved, or some of the urban, too?

12 DR. CARLISLE: Well, it depends on how you look at  
13 it.

14 If you look at the number of areas, and things like  
15 square miles, certainly the rural areas contain large,  
16 underserved areas. In fact, most technically underserved areas  
17 in California are in more rural areas.

18 But if you look at populations, underserved  
19 populations, then the urban areas -- urban inner city areas and  
20 other areas -- actually contain the great population of  
21 underserved Californians.

22 CHAIRMAN BURTON: Senator Johnson.

23 SENATOR JOHNSON: No questions.

24 CHAIRMAN BURTON: Senator Knight.

25 SENATOR KNIGHT: No questions.

26 CHAIRMAN BURTON: Senator Karnette.



1           SENATOR KARNETTE: I just want to ask about  
2 retrofitting hospitals. This seems to be a very big problem.

3           How do you see it? When will we get it completed?

4           DR. CARLISLE: Well, the legislation, of course,  
5 everyone is familiar with, has several milestones. It's very  
6 important that everyone know that the first milestone of the  
7 retrofitting milestone is in January of the year 2000, when  
8 hospitals must convert all their nonstructural performance  
9 standard hospitals or buildings from Level I to Level II. That's  
10 the first retrofitting hurdle.

11           The major structural hurdle occurs in 2008, or the  
12 initial one. That's when hospitals have to convert themselves  
13 from the lowest structural performance category into at least the  
14 next highest category. Those hospitals that intend to be in  
15 service beyond 2030, or those buildings that intend to be in  
16 service beyond 2030 may then extend that deadline by five  
17 additional years to 2013. And then, by 2030, all hospitals must  
18 be in SPC Category III, IV or V; that's structural performance  
19 category III, IV or V.

20           So, this is a 30-year rollout.

21           CHAIRMAN BURTON: Witnesses in support, briefly.

22           MR. QUACKENBUSH: Good afternoon. I'm David  
23 Quackenbush from the California Hispanic Healthcare Association.

24           We're here to lend our support to Dr. Carlisle. As  
25 noted, he has extensive experience in education and public  
26 health, and performed research in the areas of access, quality,  
27  
28





1 and disparities in health care.

2 We've had several opportunities to meet with  
3 Dr. Carlisle, and he does share some of our concerns regarding  
4 the abundant diversity within the uninsured and medically  
5 indigent populations in California, and also the importance to  
6 increase the cultural competency and understanding of the health  
7 care providers of the patients they serve.

8 So, we do lend all of our support and are very  
9 happy to be here in support of him today.

10 CHAIRMAN BURTON: Next.

11 MS. CAPELL: Beth Capell on behalf of the  
12 California Physicians Alliance, Health Access California, and the  
13 Service Employees International Union.

14 We're pleased to be here in support of  
15 Dr. Carlisle. He is a member of the California Physicians  
16 Alliance. He is also -- and I trust no Senator will hold that  
17 against him -- he was also our Health Access's representative,  
18 the consumer representative to at least one of those committees  
19 that he mentioned, 10 those many years ago.

20 And we have worked -- he's also served on the  
21 Health Access Policy Committee, helping us to develop our policy  
22 agenda on covering the uninsured.

23 So, we've had the opportunity to meet with him in  
24 this new capacity and to discuss issues such as community benefit  
25 definitions for hospitals, charity care, and other issues, and  
26 are looking forward to the opportunity to work with him.  
27  
28



1 CHAIRMAN BURTON: Thank you.

2 Next.

3 DR. BROWN: I'm Dr. Richard Brown, Professor of  
4 Public Health at UCLA, and Director of the Center for Health  
5 Policy Research there.

6 I've known Dr. Carlisle for quite some time, and I  
7 am very impressed with his record as a physician, which I think  
8 will help him be more sensitive to and understand the needs of  
9 patients and of health professionals in the system, and his  
10 research record on disparities in health care and efforts to  
11 identify them, and reduce them.

12 I think his work in this field, his knowledge of  
13 the data, will enable him to help make the data sing, to help and  
14 form policy more effectively, and to provide leadership for the  
15 state in this area.

16 SENATOR JOHNSON: Data sing?

17 DR. BROWN: Well, that's just a phrase. It really  
18 means to help make the data come alive in forming policy, as  
19 opposed to sitting there as simply dry numbers that mean nothing  
20 to most people.

21 Thank you.

22 CHAIRMAN BURTON: Next.

23 MR. COPELAN: Good afternoon. My name is Craig  
24 Copelan with Professional Engineers in California Government.

25 Our members have had an opportunity to meet with  
26 Dr. Carlisle, and we're looking forward to working with him on  
27  
28



1 the seismic retrofitting of hospitals in the future.

2 CHAIRMAN BURTON: Data which sings, and datum would  
3 sing?

4 DR. BROOK: Hi, I'm Robert Brook, and I don't sing.  
5 I'm a Professor of Medicine for Public Health at UCLA, and run  
6 the Robert Wood Johnson Clinical Scholar program there, and also  
7 run RAND Health in Santa Monica.

8 David I've known since he became a Robert Wood  
9 Johnson clinical scholar about 15 years ago. He represents the  
10 best of physicians who have engaged in the activities of health  
11 services research, health policy, and administration. And I put  
12 him in the same league as other people we have trained, which  
13 include the current Surgeon General, David Satcher, and the past  
14 head of the Department of Health in New York State, Mark Chassen.  
15

16 So, David's research, clinical background,  
17 teaching, and all that, will make him a wonderful person to run  
18 this office.

19 MR. HARRIS: Good afternoon. My name is Howard  
20 Harris.

21 Although I can't speak for the Commission, I sit as  
22 a Commissioner on the California Health Policy and Data Advisory  
23 Commission.

24 And I'd like to speak to the knowledge that I've  
25 had of working with Dr. Carlisle as a Commissioner, and his  
26 addressing issues such as the primary care physicians. We worked  
27 beginning probably about 1989 on various committees of that sort,  
28





1 and his interest in the health professional development of  
2 manpower, womanpower, workforce, continues to be reflected in his  
3 directorship at OSHPD.

4 So, we support his nomination.

5 CHAIRMAN BURTON: What is the Robert Wood Johnson  
6 Foundation? Where did he get all his ability to have that  
7 foundation?

8 DR. BROOK: Robert Wood Johnson, he developed the  
9 Johnson & Johnson Band-Aids of the street. Made a lot of money  
10 from selling Band-Aids.

11 [Laughter.]

12 CHAIRMAN BURTON: He got beyond that, as I recall.

13 DR. BROOK: Not very far beyond that; Band-Aids  
14 were enough.

15 CHAIRMAN BURTON: I think it was a long since that  
16 he was hustling them on the street.

17 DR. BROOK: That is correct. He's no longer with  
18 us, but it's been a long time since -

19 CHAIRMAN BURTON: His foundation does a lot of good  
20 work.

21 DR. BROWN: Absolutely, and of them has been to  
22 train about 500 or 600 of the outstanding leaders in American  
23 medicine today, and we're lucky at UCLA, because we've trained  
24 about 150 of them, and he's certainly one of them.

25 CHAIRMAN BURTON: Any witnesses in opposition?

26 Hearing none, moved by Senator Johnson. Secretary,  
27  
28



1 call the roll.

2 SECRETARY WEBB: Senator Karnette.

3 SENATOR KARNETTE: Aye.

4 SECRETARY WEBB: Karnette Aye. Senator Knight.

5 SENATOR KNIGHT: Aye.

6 SECRETARY WEBB: Knight Aye. Senator Johnson.

7 SENATOR JOHNSON: Aye.

8 SECRETARY WEBB: Johnson Aye. Senator Burton.

9 CHAIRMAN BURTON: Aye.

10 SECRETARY WEBB: Burton Aye. Four to zero.

11 CHAIRMAN BURTON: Congratulations, Doctor.

12 DR. CARLISLE: Thank you, Senator, and Members of  
13 the Committee.

14 CHAIRMAN BURTON: Thank you again, Doctor.

15 Peter Silva, State Water Resources Control Board.

16 We have a nice letter here in support from Senator  
17 Kelley.

18 SECRETARY WEBB: Assembly Member Kelley.

19 CHAIRMAN BURTON: He's still a Senator in our eyes.

20 SENATOR JOHNSON: Once a Senator, always a Senator.

21 CHAIRMAN BURTON: Go ahead, sir.

22 MR. SILVA: Good afternoon, Mr. Chairman and  
23 Members of the Committee. My name is Peter Silva.

24 First, I want to introduce my beautiful wife here  
25 who is with me today, Donna; and a nephew of mine that takes care  
26 of a vineyard here for Old Spice Sacramento, Indias Chidas.  
27  
28



1           As a native Californian, I strongly believe that  
2 California should always strive to be the leader in all the major  
3 issues that face the nation. California must be able to continue  
4 to grow and prosper economically, while at the same time,  
5 ensuring the protection of the state's valuable natural  
6 resources.

7           Through its mandates, the State Water Board plays a  
8 key role in the management of the state's water supplies, with  
9 the two main functions of water rights and water quality.

10           First, in the area of water rights, resolution of  
11 the Bay-Delta and other water allocation questions will have  
12 profound, long-term impacts on the overall state water balance.  
13 Important issues such as agriculture and urban water allocations,  
14 water for environmental protection, and intra-state water  
15 transfers are being debated through the Water Board process.

16           Very recently, a state energy crisis has brought an  
17 additional element of complexity to the water rights picture.  
18 The new element illustrates the need to review and improve the  
19 water rights process.

20           In the area of water quality, substantial progress  
21 has been made in protecting the state's surface waters from  
22 pollution. However, there are growing threats to the state's  
23 groundwater resources. Issues such as MTBE and Chromium 6  
24 pollution illustrate the manner in which unforeseen sources of  
25 contamination can produce devastating effects.

26           In addition to groundwater contamination, the state  
27  
28





1 must also address a number of issues associated with nonpoint  
2 source pollution. TMDL regulations must continue to be  
3 implemented, along with other programs that regulate Chromium,  
4 water runoff, and other nonpoint source pollution.

5 Because of my professional experience, I'm also  
6 interested in promoting better U.S.-Mexico relations in water  
7 management issues. California and Baja California are united by  
8 a common border and share water resources, and pollution, and  
9 problems that must be addressed through national cooperation and  
10 coordination.

11  
12 It is clear that the water issues facing California  
13 continue to evolve and tend to become much more multi-faceted and  
14 complex. In response, the Water Board must also evolve and  
15 create new and innovative ways to address these issues.

16 I look forward to the opportunity to work on these  
17 issues as a member of the State Water Resources Control Board.

18 Again, thank you for the opportunity to address  
19 you, and I will be happy to answer any questions you may have.

20 SENATOR JOHNSON: Thank you very much, sir.

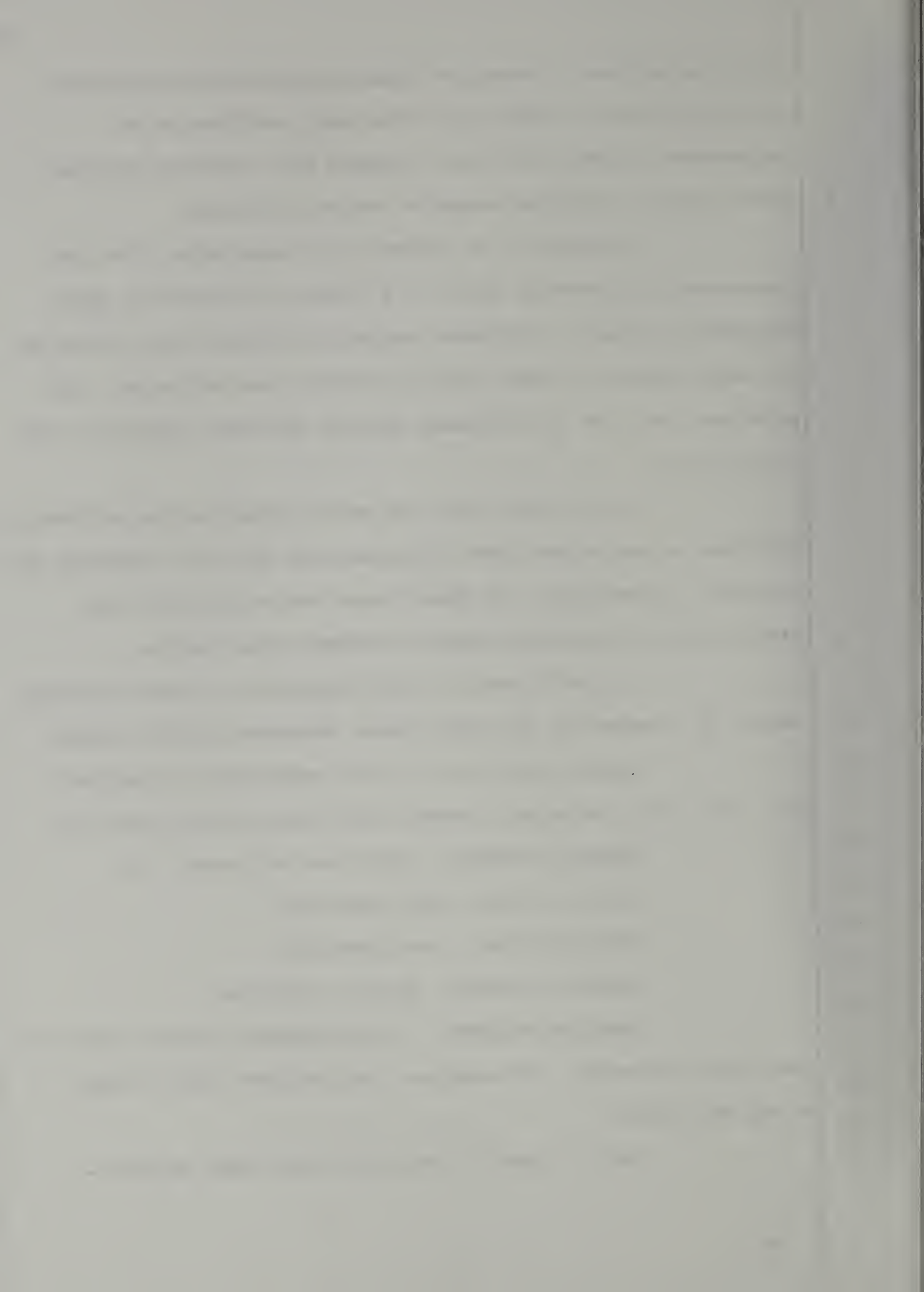
21 Senator Knight, any questions?

22 SENATOR KNIGHT: No questions.

23 SENATOR JOHNSON: Senator Karnette?

24 SENATOR KARNETTE: I was somewhat pleased when you  
25 mentioned the border, and what are the problems that we have  
26 along the border.

27  
28 But my question has to do with MTBE, because



1 evidently, sometimes we think there are no leaks, but when tanks  
2 are removed, we find out there are leaks.

3 Are there any ideas in that area?

4 MR. SILVA: Well, we're continuing to work on our  
5 underground storage tank program, which provides funding, first  
6 of all, to the stations that need tank rehabilitation.

7 But we also, obviously, through the regional  
8 boards, work on enforcement issues related to groundwater  
9 contamination. So, we'll continue to enforce those regulations  
10 as necessary.

11 SENATOR KARNETTE: This really is a problem, when  
12 we hear so much about it.

13 MR. SILVA: That's correct.

14 SENATOR JOHNSON: All right, any support in the  
15 audience feels compelled to share their thinking with us?

16 MR. GUALCO: Mr. Chair and Member, Jack Gualco on  
17 behalf of both the Imperial Irrigation District and the Modesto  
18 Irrigation District.

19 Pleased to be here in support of Mr. Silva. I've  
20 had the pleasure of knowing not only Pete, but members of his  
21 family for a number of years. In fact, his brother is the  
22 general manager of the Imperial Irrigation District, so I was  
23 compelled to be here today. Otherwise, I'd find myself in the  
24 All-American Canal at some point in my next visit to Imperial.

25 But he is undoubtedly -

26 SENATOR JOHNSON: Just as long as it's not  
27  
28



1 permanently.

2 [Laughter.]

3 MR. GUALCO: That's right.

4 He's undoubtedly very well qualified for this job,  
5 given his background in both technically and policy-wise. And  
6 most importantly, as Senator Karnette indicated, given our cross-  
7 border relationships with Mexico in both water and power, his  
8 knowledge in that area is going to be very important to the  
9 success of the Water Board.

10 So, we urge your endorsement of his appointment.

11 Thank you.

12  
13 SENATOR JOHNSON: Any witnesses in opposition?

14 Speak now or forget it.

15 What's the pleasure of the Committee, please?

16 SENATOR KARNETTE: Move.

17 SENATOR JOHNSON: Secretary, call the roll.

18 SECRETARY WEBB: Senator Karnette.

19 SENATOR KARNETTE: Aye.

20 SECRETARY WEBB: Karnette Aye. Senator Knight.

21 SENATOR KNIGHT: Aye.

22 SECRETARY WEBB: Knight Aye. Senator Johnson.

23 SENATOR JOHNSON: Aye.

24 SECRETARY WEBB: Johnson Aye. Senator Burton.

25 CHAIRMAN BURTON: Aye.

26 SECRETARY WEBB: Burton Aye. Four to zero.

27 CHAIRMAN BURTON: Congratulations.  
28

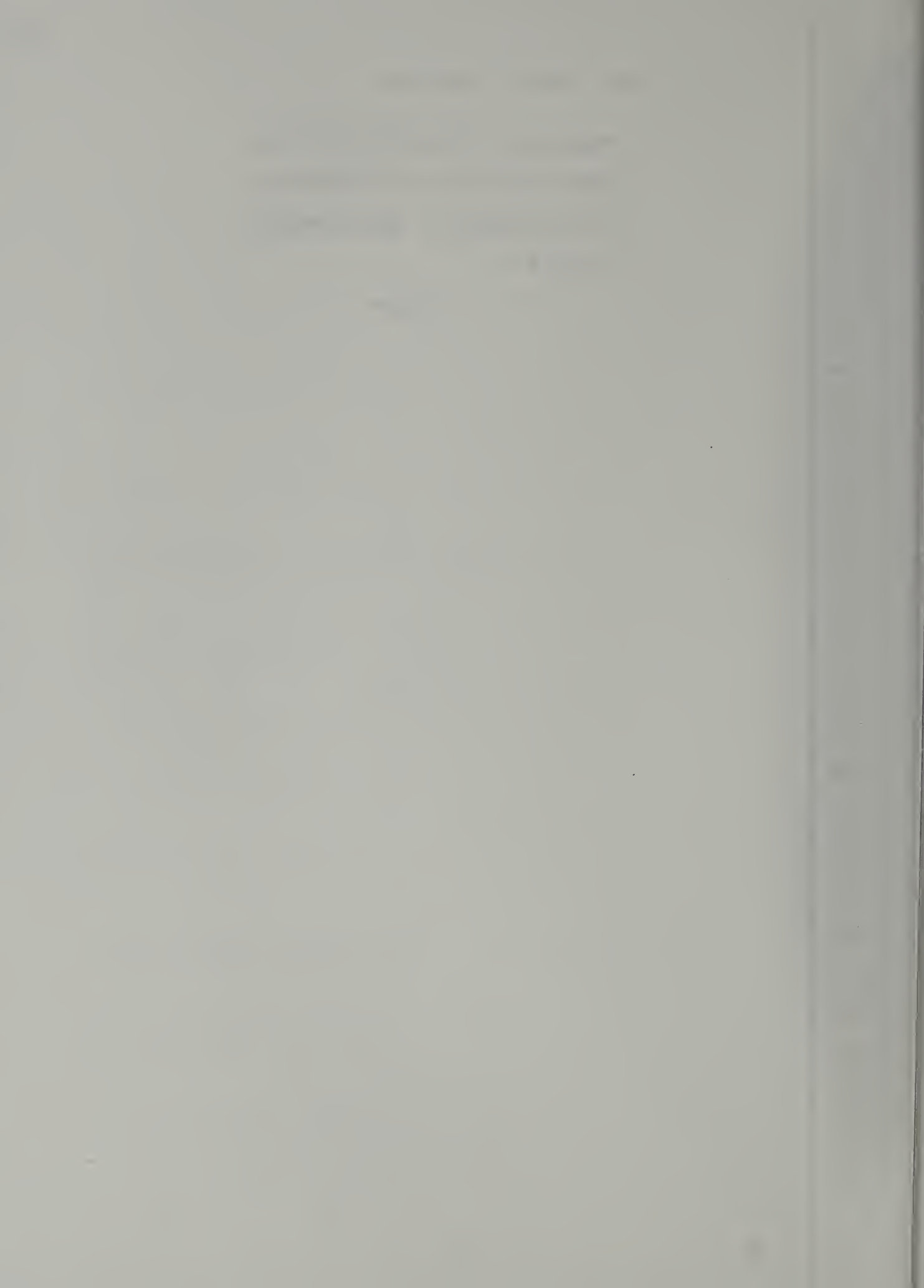




1 MR. SILVA: Thank you.

2 [Thereupon this portion of the  
3 Senate Rules Committee hearing  
4 was terminated at approximately  
5 2:30 P.M.]

6 --oo0oo--  
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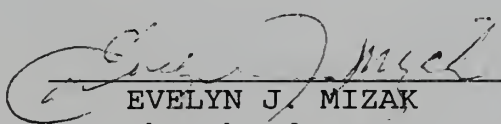
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That I am a disinterested person herein; that the foregoing transcript of the Senate Rules Committee hearing was transcribed verbatim by me, Evelyn J. Mizak, into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said hearing, nor in any way interested in the outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this

25<sup>th</sup> day of April, 2001.

  
EVELYN J. MIZAK  
Shorthand Reporter





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APPEARANCESMEMBERS PRESENT

SENATOR JOHN BURTON, Chair

SENATOR ROSS JOHNSON, Vice Chair

SENATOR BETTY KARNETTE

SENATOR WILLIAM KNIGHT

SENATOR GLORIA ROMERO

STAFF PRESENT

GREG SCHMIDT, Executive Officer

PAT WEBB, Committee Secretary

NETTIE SABELHAUS, Consultant on Governor's Appointments

SUSIE SWATT, Consultant to SENATOR JOHNSON

TIM SHELLEY, Consultant to SENATOR KARNETTE

DAVID OROSCO, Consultant to SENATOR KNIGHT

ALSO PRESENT

JAMES W. HAMLET, Warden  
Correctional Training Facility, Soledad

JEFFRY P. MORALES, Director  
Department of Transportation

SENATOR JIM COSTA

SENATOR JOE DUNN

PAUL MEYER  
Consulting Engineers and Land Surveyors of California

MARTY TUTTLE  
SACOG

DENNIS ALEXANDER  
Professional Engineers in California Government

CHAPTER I  
GENERAL PRINCIPLES

The first principle of the science of politics is that man is a social animal. This means that man cannot live in isolation from his fellow-men. He must live in a community, and his life is shaped by the laws and customs of that community. The second principle is that the purpose of politics is to secure the greatest good for the greatest number. This is the end to which all political action should be directed. The third principle is that the state is a necessary institution for the achievement of this end. The state is the organized community, and it is the duty of the state to provide for the welfare of its citizens. The fourth principle is that the state should be based on justice. Justice is the foundation of all good government, and it is the duty of the state to ensure that justice is done to all its citizens. The fifth principle is that the state should be based on the consent of the governed. The people have the right to choose their own form of government, and the state should be established by their consent. The sixth principle is that the state should be based on the rule of law. The law is the basis of all good government, and it is the duty of the state to ensure that the law is obeyed by all its citizens. The seventh principle is that the state should be based on the separation of powers. The powers of the state should be divided among different branches of government, so that no one branch becomes too powerful. The eighth principle is that the state should be based on the protection of individual rights. The state has a duty to protect the rights of its citizens, and it should not interfere with those rights unless it is necessary for the public good. The ninth principle is that the state should be based on the promotion of the public good. The state should take steps to promote the welfare of its citizens, and it should ensure that the public good is served. The tenth principle is that the state should be based on the maintenance of order. The state has a duty to maintain order in its territory, and it should ensure that the law is obeyed by all its citizens. These ten principles are the foundation of the science of politics, and they should guide all political action.



1 MARK WATTS  
2 Transportation California

3 WARREN HOEMANN  
4 California Trucking Association

5 MEL ASSAGAI  
6 California Trucking Association  
7 California Urban League Executives

8 FRANK RAMIREZ  
9 National Indian Contractors Association  
10 American G.I. Forum

11 TONY GRASSO  
12 Associated General Contractors of California

13 PAT LEATHERS  
14 Southern California Rock Products Association

15 TIM CREMINS  
16 Operating Engineers, AFL-CIO

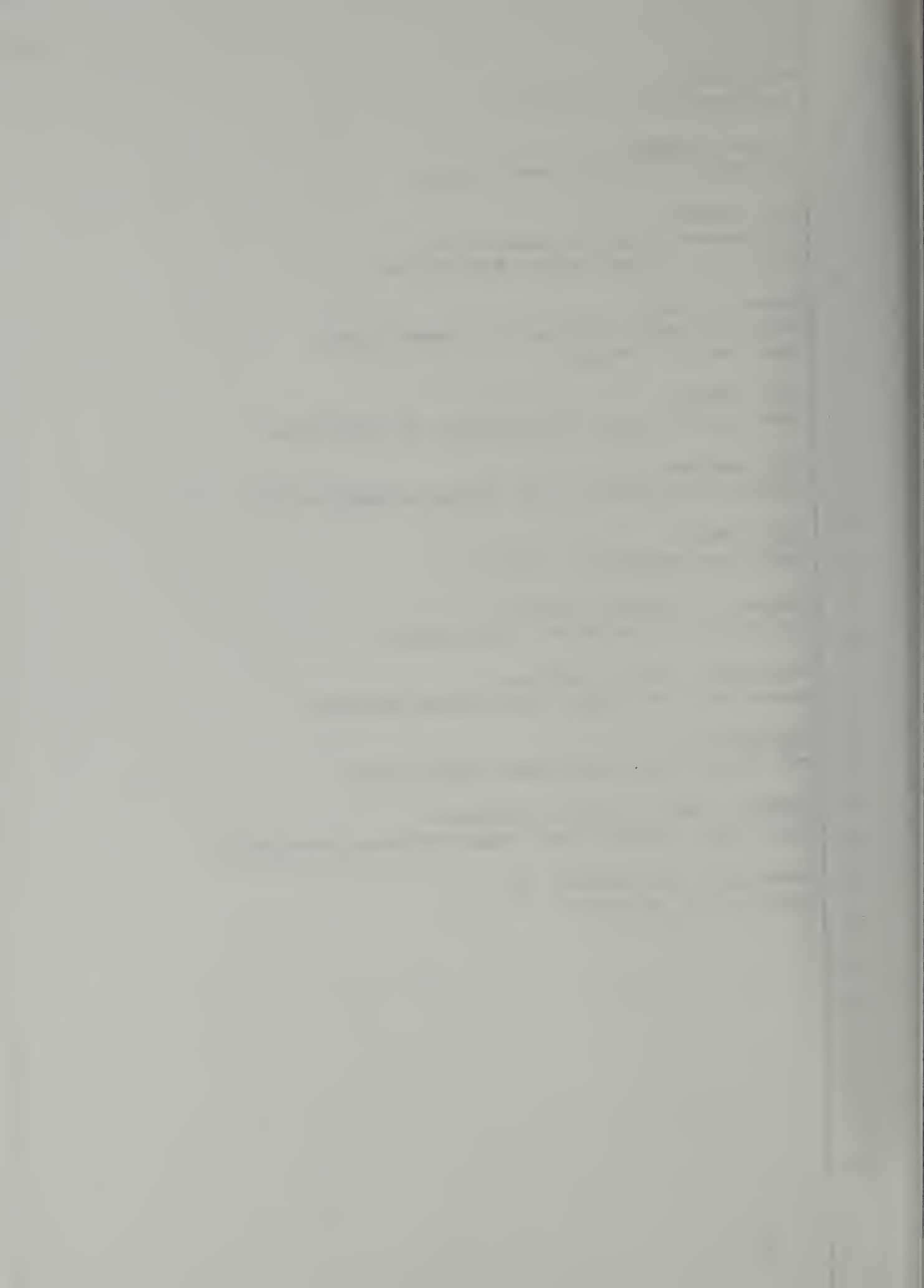
17 JEANNE S. WOODFORD, Warden  
18 California State Prison, San Quentin

19 ROY MABRY, State President  
20 Association of Black Correctional Workers

21 ELAINE HILL  
22 California State Employees Association

23 ANTHONY JONES, Chapter President  
24 California Correctional Peace Officers Association

25 VERNELL M. CRITTENDON, JR.  
26 San Quentin Employee  
27  
28



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P-R-O-C-E-E-D-I-N-G-S

--oo0oo--

CHAIRMAN BURTON: James Hamlet, Warden, Soledad.

We have your statement for the record, so if you just might summarize, briefly, and then be ready for questions, sir.

MR. HAMLET: My name is Jim Hamlet. I'm with the Correctional Training Facility at Soledad. I've been there 27 years. I started as a canteen manager, worked my way up through various assignments at the prison.

As each assignment went by, I gained more and more experience into the prison environment, and have been challenged over the last few years in the management positions I've held, from Associate Warden, Business Services, up through Chief Deputy Warden, to Warden.

I started with the Department of Corrections after working my way through college, and it's been one of the most rewarding experiences I've had in my life to date.

CHAIRMAN BURTON: What are your plans for the institution?

MR. HAMLET: Keep the institution safe. Keep the staff and the inmates safe, and continue to ensure that we keep it nice and quiet, and that you don't hear of us up here in Sacramento.

SENATOR KNIGHT: That's a good objective.

[Laughter.]

1 MR. HAMLET: We were fortunate this last year,  
2 haven't made any newspapers.

3 CHAIRMAN BURTON: Can you give us your view of the  
4 health care delivery system within your institution?

5 MR. HAMLET: We have a very good one. Most  
6 institutions have problems in recruiting. We have some  
7 recruitment problems, but not as many as other institutions.

8 CHAIRMAN BURTON: Have you been targeted in any of  
9 the suits?

10 MR. HAMLET: We're also in under the Armstrong and  
11 Coleman, but the last Coleman audit came out very well for us.

12 CHAIRMAN BURTON: But I mean, in any of the recent  
13 suits?

14 MR. HAMLET: No.

15 CHAIRMAN BURTON: What programs do you have that  
16 are pre-release to try to reduce recidivism?

17 MR. HAMLET: Yes, we have a pre-release program.  
18 We have a parenting program also that we've had for many years.

19 And currently we have a program for substance  
20 abuse, which was started at South Facility about a year ago, and  
21 we just initiated our second substance abuse program at North  
22 Facility. South Facility has 200 inmates attend that program,  
23 and North Facility, once it's up and running, will have 250  
24 inmates.

25 CHAIRMAN BURTON: How long or intensive are your  
26 pre-release programs?

1 MR. HAMLET: They're quite intensive. They're six-  
2 and-a-half hours a day in the pre-release program.

3 CHAIRMAN BURTON: For how long a period?

4 MR. HAMLET: Up to three months.

5 CHAIRMAN BURTON: In the response to questions, you  
6 have about 4,000 jobs for 7,000 inmates. How long are the  
7 waiting lists, or what can be done to try to get more people into  
8 them?

9 MR. HAMLET: Well, over the last 10-12 years,  
10 during the recession, we took a lot of hits in staff. It'd be  
11 great if we'd get some of that staffing back so we could start  
12 some of those programs.

13 CHAIRMAN BURTON: The last two years hasn't been a  
14 recession. It's been a boom.

15 MR. HAMLET: It has, but we haven't received  
16 anything in the Department of Corrections along those lines.

17 CHAIRMAN BURTON: Should have asked for it when it  
18 was there.

19 I mean, you made requests through -

20 MR. HAMLET: Budget Change Proposals.

21 CHAIRMAN BURTON: You make them up through Presley,  
22 and Presley through Finance, and Finance to the Governor's  
23 Office?

24 MR. HAMLET: Correct.

25 CHAIRMAN BURTON: Senator Johnson.

26 SENATOR JOHNSON: I don't know if this is an  
27  
28

1 appropriate question, Mr. Chairman, but we've had representatives  
2 of the Department here, and we've asked these questions relating  
3 to the telephones.

4 CHAIRMAN BURTON: Yes.

5 SENATOR JOHNSON: I just would like to know this  
6 appointee's views of that, and whether you think it's appropriate  
7 that the State of California's making money off of the ability of  
8 inmates to be able to carry on a conversation with members of  
9 their family, or whatever?

10 MR. HAMLET: Yeah, I believe it is appropriate for  
11 us to do so.

12 SENATOR JOHNSON: To make a profit?

13 MR. HAMLET: To make a profit, and in turn to use  
14 it to offset some of our budget.

15 CHAIRMAN BURTON: Why? Why are you charging  
16 somebody that didn't commit a crime to make up your budget? The  
17 taxpayers are already paying.

18 MR. HAMLET: Well, that may be true --

19 CHAIRMAN BURTON: No, it is true.

20 MR. HAMLET: Okay, it is true, but I still feel  
21 it's appropriate for them to --

22 CHAIRMAN BURTON: Why?

23 MR. HAMLET: Because we have services currently --

24 CHAIRMAN BURTON: Why is it appropriate for them to  
25 do it? Because somebody in their family committed a crime, they  
26 should be punished for that?  
27  
28



1 MR. HAMLET: Well, if they hadn't committed the  
2 crime, they wouldn't be in there --

3 CHAIRMAN BURTON: No, no. It's the family, not the  
4 prisoner, who pays.

5 MR. HAMLET: Sir, I told you, I believe in the  
6 policy.

7 CHAIRMAN BURTON: And I want to know why? A simple  
8 question you're not answering.

9 MR. HAMLET: To the best of my knowledge, I am  
10 answering it, sir.

11 CHAIRMAN BURTON: Well, I don't think you are; all  
12 right?

13 MR. HAMLET: Okay.

14 CHAIRMAN BURTON: You said you think it's right. I  
15 said, why? Because I think it's right.

16 That's not an answer.

17 MR. HAMLET: It's a policy of the Department --

18 CHAIRMAN BURTON: I know it is. I'm asking your  
19 opinion, and I'm asking you to justify your opinion or explain  
20 it, not justify it. You don't have to justify anything to me.

21 MR. HAMLET: Sir, again, I find it appropriate.

22 CHAIRMAN BURTON: And I'm asking you why?

23 MR. HAMLET: Why not?

24 CHAIRMAN BURTON: Can I tell you, this thing's  
25 being put over. You come back, maybe.

26 Jeffrey Morales, Director of Transportation.

Senators, alphabetical and seniority, Costa.

SENATOR COSTA: Thank you very much, Mr. Chairman, Members of the Committee.

I'm here, along with my colleague, Senator Dunn, to recommend Jeff Morales for the post of Director of the Department of Transportation for the State of California.

I have gotten an opportunity to work with Mr. Morales over the last year, but actually know from his involvement for the years he worked on the Hill, both in the United States Senate as well as in his other endeavors on transportation-related issues. He went from working for Senator Lautenberg and others on transportation issues, to Chicago, where he dealt with the difficult transportation issues of dealing with that transportation agency, and distinguished himself in terms of trying to improve that department.

The Department of Transportation, Members of this Committee know, is probably one of the largest transportation agencies in the world. The responsibilities, the budget that goes with it, requires, I think, someone that not only has the expertise, but has the ability to have on-hands management in terms of making things happen.

We know that if we're going to be successful in the 21<sup>st</sup> Century, once we get beyond this energy crisis, that investment in our transportation infrastructure is a key component. The Chairman of this Committee, Senator Burton, has worked hard in the last couple years to try to put together a



1 transportation initiative that will provide financing for that  
2 effort, and we've all committed to do that. I think this person  
3 could do the job in implementing the funding that, hopefully, we  
4 can provide to meet our needs.

5 For those reasons, I support the Director.

6 SENATOR DUNN: Thank you, Committee Members. I'm  
7 also here to express my complete support for Jeff Morales as  
8 Director of Caltrans.

9 During his time in this position already, I've had  
10 an opportunity to work with him extensively, both as a Member of  
11 the Transportation Committee, and also on a number of  
12 transportation issues in Orange County. I've found Jeff not only  
13 to be extraordinarily knowledgeable on the issues of  
14 transportation in California, and the operation clearly of  
15 Caltrans, but probably more than anything else, I've found Jeff  
16 to be extraordinarily responsive to the concerns that I've  
17 brought to his attention. And not responsive in the sense of,  
18 "Yes, Joe, I'll quickly pass it on to a knowledgeable staff  
19 member." He remained personally involved and actually, at my  
20 request, has come to Orange County on several occasions to assist  
21 resolving local problems that we had in the transportation arena.  
22

23 I think his time in office already indicates what  
24 we can expect, and it's been extraordinary, and I support his  
25 nomination.  
26

27 CHAIRMAN BURTON: Thank you very much.

28 Director, we have your response, and if you'll just

1 give a brief opening statement, and we'll have some questions.

2 MR. MORALES: Thank you, Mr. Chairman and Members  
3 of the Committee. And I appreciate the opportunity to appear  
4 before you. It's a great honor to have been appointed by  
5 Governor Davis to take the responsibility as Director of the  
6 Department of Transportation.

7 Voters in Alameda and Santa Clara Counties have  
8 overwhelmingly approved measures to fund transportation, and  
9 statewide, voters approved Proposition 35, which gives the state  
10 broad authority to outsource architectural and engineering  
11 services. Together, these actions sent a very loud, clear  
12 message that people want to see results.

13  
14 My job is to move this Department forward and in a  
15 direction that produces results and does so faster, more  
16 efficiently, and more cost-effectively. While there are many  
17 ways we're working to achieve this goal, I'd like to focus on  
18 three key areas of focus.

19 First, we're working to improve the environmental  
20 process. Currently it takes too long, costs too much, and  
21 ironically, doesn't always produce the best environmental  
22 mitigation. Based on initial work with the agencies that we work  
23 with, I'm very encouraged that we can make major improvements.

24 Second, we will utilize the flexibilities provided  
25 through Proposition 35. In so doing, we will not lay off  
26 employees. Our goal is to maintain a stable workforce to meet  
27 our core work, and to use outside resources to address peaks in  
28

1 our workload and specialized work that we cannot do internally.

2 The reality is that we have more than enough work  
3 to keep our internal workforce fully employed and take advantage  
4 of the expertise that the outside, the private sector, brings.

5 Third, we're using the Congestion Relief Program as  
6 a way to find new ways of improving project delivery. We're  
7 making great progress toward this goal. In September, we  
8 received authority to allocate funding for those projects. By  
9 May, almost two-thirds of all of the projects in the program will  
10 have received approval of an application, and one-and-a-half of  
11 the \$2 billion initially approved in the first year will have  
12 already been approved by the CTC. Tomorrow we break ground on  
13 the first major construction project in that program, right here  
14 in Sacramento.

16 Mr. Chairman, we need to move forward in three  
17 places in this Department, as we go from an organization that is  
18 focused on building roads and bridges, to one that is managing a  
19 transportation system. We need a system that is more balanced,  
20 providing people with viable alternatives; more efficient, using  
21 technology, operating strategies and improvements to squeeze  
22 greater use out of existing and new capacity; and we need a  
23 system that is safer.

25 And as we move forward, we face tremendous  
26 challenges. But with the tools that the Governor and the  
27 Legislature have given us, we have new opportunities to tackle  
28 these challenges. And I look forward to continuing the



improvements we're making and appreciate your consideration of my nomination.

CHAIRMAN BURTON: Thank you.

Do you have family with you?

MR. MORALES: I do, sir. I have my wife Laurie, and my children, Kyle and Elisa, and my mother-in-law, Doris.

CHAIRMAN BURTON: Tell me your kid wasn't named after Kyle Rote.

[Laughter.]

MR. MORALES: I'm guessing you don't want a yes to that answer.

[Laughter.]

SENATOR JOHNSON: You don't have to explain yourself.

CHAIRMAN BURTON: He must have been a hell of a guy. There's more children in this country named after him than anybody, I think, since Franklin Roosevelt.

MR. MORALES: He was not.

CHAIRMAN BURTON: Number 44.

MR. MORALES: Yes.

CHAIRMAN BURTON: I've got an easy one, then a tough one.

How do they determine whether those diamond lanes are two people or three? That's the easy one.

MR. MORALES: That's based on usage. And we have some thresholds that we look at in terms of what the usage is,

1 and we make adjustments.

2 It's one area we're going to be a lot more flexible  
3 going forward, and looking at how the diamond lanes are used.

4 CHAIRMAN BURTON: Because up north, they're  
5 basically, I think, three. And down south, a lot of times  
6 they're two.

7 MR. MORALES: There're only a few places where it's  
8 three, and we're looking at all of those.

9 CHAIRMAN BURTON: That's I-80 from San Francisco to  
10 Sacramento.

11 MR. MORALES: Correct.

12 [Laughter.]

13 SENATOR JOHNSON: It just worked out that way.

14 CHAIRMAN BURTON: Do you want to just briefly  
15 comment on the Bay Bridge, and say you think we can get out from  
16 under it?

17 MR. MORALES: Yes. Our number one goal, and there  
18 was a Senate Select Committee on Bay Area Transportation hearing  
19 last week I testified at on this. Our goal is to move forward  
20 and get that project done.

21 We are at a point now where, if we can resolve the  
22 last outstanding issues, we can get -- got to contract.

23 CHAIRMAN BURTON: Cost?

24 MR. MORALES: Cost primarily, yes, that is the  
25 major outstanding issue. There are some permitting issues as  
26 well.  
27  
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But we can go to contract this year and have the work underway this year. That is our goal in doing so.

CHAIRMAN BURTON: The overrun is substantial; right?

MR. MORALES: Yes, sir.

CHAIRMAN BURTON: How do you see financing that?

MR. MORALES: There are two major sources of -- or two places of overrun, and we're proposing two solutions.

One, using federal funds; federal formula funds that come to the state, approximately \$550 million in those funds over the next several years, which we'll be getting to cover some of the overrun in the program.

The balance, we're working with the region to look at how to address, because that overrun -- the majority of the overrun is coming on the east span of the Bay Bridge. And it is a different bridge than the one that was anticipated in SB 60 when it was passed, and it's, as appropriate, was selected by the region to reflect the region's interests. And we're working with the region to come up with the best way to fund that.

CHAIRMAN BURTON: The region being MTC?

MR. MORALES: The MTC acting on behalf of the region, yes, sir.

CHAIRMAN BURTON: And they'll figure the best way to fund it will be to ask somebody else for the money? Is it coming out of their pot, or who knows?

MR. MORALES: There are several proposals on the



1 table. Right now, we're working both with the committee and with  
2 the MTC to go back and look at the cost estimates, make sure  
3 all agree on what the numbers are, and then go forward.

4 CHAIRMAN BURTON: Is there any way to, like, try to  
5 reduce the cost at all?

6 MR. MORALES: That is part of what we're looking  
7 at. We have tried to -- we've gone through and looked at, but we  
8 think it's worth having an independent evaluation of that.

9 CHAIRMAN BURTON: Senator Johnson.

10 SENATOR JOHNSON: Thank you, Mr. Chairman.

11 First, let me say that I've had the opportunity  
12 several months ago to meet with Director Morales, and I was very  
13 impressed with both his background, his knowledge, and certainly  
14 his command of a lot of detail.

15 Nevertheless, sir, I have a number of questions.  
16 And this isn't necessarily in any way reflective of you, but it  
17 certainly is reflective of the apparent current status of the  
18 Department. Therefore, I'm very interested your thoughts and  
19 your reactions.

20 First, just following up on Senator Burton's  
21 question, is it accurate to say that the major difference between  
22 the initial proposals with respect to the Bay Bridge and where we  
23 are today were considerations of aesthetics? Someone's idea of,  
24 this is a prettier bridge.

25 MR. MORALES: It is -- SB 60, when it was passed,  
26 put -- separated the bridges into two categories. Six of them we  
27  
28

had were retrofits, and we had control over the design and the construction.

The seventh was the east span, and the MTC, acting on behalf of the region, was given the authority to select a design for that bridge. It has chosen a design which is certainly much more stylish than the one originally proposed.

SENATOR JOHNSON: Beauty's in the eye of the beholder.

But what is the nature, and I understand that you're in the process of this, but you certainly ought to be able to give us some kind of a ballpark of the overrun. Are we talking double the cost that was originally contemplated?

MR. MORALES: Yes. We released a report several weeks ago which outlined that. The bridge, total bridge cost is approximately double of what it was projected to be several years ago.

I'll put some qualifications on that, though. The original estimates did not include cost escalation, inflation, or contingencies, which normally are included in any project, and certainly a project of that magnitude. So, it's not a completely direct comparison, but the cost is considerably higher than what was anticipated originally.

SENATOR JOHNSON: And again, is it fair to say that aesthetics played a significant part in that?

MR. MORALES: Yes, sir.

SENATOR JOHNSON: Next question, what are you doing

1 to ensure that all of the projects which are funded are actually  
2 delivered? Can you give us some idea of where we are in terms of  
3 the percentages?

4 MR. MORALES: We -- our delivery, we're continually  
5 working to improve it. But I will say, last year was a record  
6 year, in fact, for delivery: \$2.8 billion worth of work went to  
7 contract in the last year. And in one month alone, we put more  
8 out to contract than 38 states do in an entire year.

9 This year we're on a track for a similar level of  
10 delivery.

11 SENATOR JOHNSON: What percentage of projects  
12 included in the STIP are going forward; do you know?

13 MR. MORALES: We have --

14 SENATOR JOHNSON: We're told that we're at about 82  
15 percent, which means that like 18 percent are not. Is that not  
16 accurate?

17 MR. MORALES: The total delivery is approximately  
18 96 percent, and figures -- and we've gone through these with the  
19 LAO to get some agreement on that, and we have agreement now --  
20 the 82 percent figure refers to the percentage of projects that  
21 were programmed in that particular year that go forward.

22 What happens during the course of a year is, in  
23 some cases, things happen that we couldn't anticipate, and a  
24 project gets delayed.

25 What we do then is advance other projects to go  
26 forward, and so we pull some projects forward from the next year.

1           So, the equivalent is that we have a 96 percent  
2 delivery rate for the last year.

3           SENATOR JOHNSON: I'm not quite sure I understand  
4 that calculation.

5           I mean, if there were projects that were  
6 contemplated to be completed in a given year, and it sounds like  
7 what you're saying is, yeah, that's probably right, that 18  
8 percent are not being --

9           MR. MORALES: Right.

10          SENATOR JOHNSON: -- done, but you're substituting.

11          MR. MORALES: Right.

12          SENATOR JOHNSON: One from column A, and one from  
13 column B.

14          MR. MORALES: Yes, and it's the reflection of,  
15 again, in the course of building a project, things may come up  
16 that can't be anticipated in the course of a year.

17          And you're right, 82 percent of all the project  
18 programmed for the year go forward, and then we pull forward some  
19 that are anticipated for the next year as well.

20          SENATOR JOHNSON: So then what happens? If we  
21 assume that it's 18 percent, are we going to catch up? Those 18  
22 percent, do they move to the head of the line?

23          MR. MORALES: Yes.

24          SENATOR JOHNSON: For the following year?

25          MR. MORALES: Yes.

26          The 18 percent does not imply that work has stopped  
27  
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1 on those. It means that we didn't reach the milestone that was  
2 intended. So, the projects are still moving forward; they just  
3 did not reach completion in that year.

4 SENATOR JOHNSON: What's the fund balance in the  
5 State Highway Account?

6 MR. MORALES: Fund balance is, I believe it's  
7 approximately 1.8 billion. I would have to check that figure.  
8 Somewhere in that range.

9 SENATOR JOHNSON: I'm told it's 2.3 billion, so I  
10 don't know if that's --

11 MR. MORALES: That's higher than - -

12 CHAIRMAN BURTON: That's the price of the  
13 transmission lines.  
14

15 [Laughter.]

16 MR. MORALES: We can confirm that for you,  
17 certainly.

18 SENATOR JOHNSON: Well, it seems to me that  
19 whatever that amount, that is money that could be spent on  
20 projects and isn't, for whatever it's not being spent.

21 I mean, would you agree that we ought to be putting  
22 a higher priority on, you know, if we've got that money, and  
23 we've got these projects in the pipeline, that we ought to be  
24 moving forward?

25 MR. MORALES: Yes, absolutely. I mean, there's no  
26 higher priority than project delivery. That is what we do, and  
27 we're working on a number of things to improve our project  
28

delivery.

SENATOR JOHNSON: I was pleased with your comments about Proposition 35. You believe that the implementation of Prop. 35 is going forward in --

MR. MORALES: Yes, sir.

SENATOR JOHNSON: -- timely fashion.

I want to turn to the subject of vacancies, and I'm sure that this is a subject that you've already had some conversations about.

We're told that there are some 1500 vacancies at Caltrans. It would seem to me that there might be some relationship between the number of vacancies and not being able to utilize all the funds that are available in the STIP projects, and in some cases falling behind.

Could you comment on the vacancy rate and what's being done about that? And then, as a secondary question, we've seen memos that imply that at least some managers in Caltrans are playing a shell game, so that the funds are retained and you just never have the vacancies, the money returning to the state?

MR. MORALES: Let me, if I could, answer in reverse order.

Let me assure you on that point, contrary to what was alleged and reported, in some cases, the Department did not seek and did not obtain any funds for personal service -- seek personal service dollars and convert them or use them for other purposes, such as operating expenses.



1 Any vacancies that we have, and any funds  
2 associated with those, come from the State Highway Account and  
3 return to them at the end of the fiscal year until appropriated  
4 again.

5 The vacancy rate is right now, I just saw the most  
6 current numbers as of this morning, in fact, and we are virtually  
7 fully staffed right now. That is significantly ahead of where we  
8 were at the end of the calendar year, which is what some of the  
9 reports you saw were based on.

10 We do have significant issues with getting  
11 vacancies filled. We're not alone in that. Technical positions,  
12 particularly engineers, are very hard to recruit and retain right  
13 now. It's a very competitive environment. We're recruiting  
14 nationally to bring people in, and we also have had significant  
15 waves of retirements in the last few years. So, we are taking  
16 longer than we would like in some cases to fill positions, but  
17 we're moving very aggressively to fill them.

18  
19 SENATOR JOHNSON: So, what is your estimate of, as  
20 of this morning, the number of vacancies at Caltrans?

21 MR. MORALES: We have a -- there's a built-in four  
22 percent vacancy rate that is --

23 CHAIRMAN BURTON: Salary savings.

24 MR. MORALES: -- salary savings; I'm glad you  
25 understand that, Senator, as opposed to me.

26 There is a four percent vacancy rate, which  
27 accounts for lags in hiring, basically.  
28

1           We are virtually -- we are at, I believe, the  
2 number there was 4.02 percent of vacancy rate right now. So, out  
3 of -- we have virtually no vacancies department-wide. Some  
4 departments, some parts of the Department, we have vacancies, but  
5 we are very close to fully staffed right now.

6           SENATOR JOHNSON: Mr. Chairman I don't wish to  
7 belabor this. The information that we've seen would suggest that  
8 there's a substantially greater number.

9           Are you familiar with Kelly Brooks? Kelly Brooks,  
10 the manager in the Caltrans Budget Office.

11           MR. MORALES: Oh, yes, yes.

12           SENATOR JOHNSON: And the individual responsible  
13 for a memo that's been discussed a good deal in the last couple  
14 of months. In this memo is outlined how Caltrans is to avoid the  
15 effect of unfilled positions, positions that go unfilled for six  
16 months. You haven't used it, so you lose it. And this memo  
17 explains the kind of a shell game that it says Caltrans routinely  
18 uses in order to avoid the effects of that law.

19           Has this memo been brought to your attention?

20           MR. MORALES: Yes, sir, it has.

21           SENATOR JOHNSON: Have you had a conversation with  
22 Kelly Brooks, and have you asked for an explanation? If the  
23 plain English reading of this is somehow not what was intended,  
24 what in the world was?

25           MR. MORALES: We have spent a considerable amount  
26 of time looking at that issue and working with the Department of  
27  
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1 Finance and with the LAO also to make sure -- and with the State  
2 Controller's Office -- to make sure we all understand what's  
3 going on.

4 We've made a number of changes and are continuing  
5 to make changes with Finance on our personnel control issues.

6 But, the information provided in that, there was a  
7 considerable lag between the numbers reported there, and then the  
8 actual. And that's the discrepancy we're talking about here  
9 today.

10 SENATOR JOHNSON: I started out by indicating that  
11 I met with you, been very impressed with your qualifications and  
12 your demeanor, and so on. And that I didn't in any sense hold  
13 you responsible for it.

14 But I guess the question that I'm looking for an  
15 answer to is: If the plain meaning of this memo is to be taken,  
16 is that a source of concern to you? I mean, is the idea that the  
17 Caltrans bureaucracy is playing games with funding for positions,  
18 with no intention of filling the positions, and you rotate it in  
19 and out so the money stays there, and the positions go unfilled,  
20 is that of concern to you?

21 MR. MORALES: Certainly. We should not and will  
22 not play games with the budget. And what we've been going  
23 through is understanding exactly what did and didn't happen in  
24 that.

25 But absolutely, we should not be playing games. No  
26 state agency should be playing games with the budget.  
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Again, what we've found is, what has been happening is, in most cases, where we've had a difficult time filling positions, mostly again the technical engineering positions, there have been positions abolished and then restored later on. They were hard to fill positions. The funds would have disappeared, and they were abolished in order to make sure people in the pipeline could, in fact, fill them.

But games is not what we should be doing, and I don't believe we are. And if there are any instances of that, we'll certainly correct it.

SENATOR JOHNSON: All right.

Thank you, Mr. Chairman.

CHAIRMAN BURTON: Senator Karnette.

SENATOR KARNETTE: I have something in my district. Senator Burton has a bridge. We have the 710, and I want to compliment you.

The people in my district think that Caltrans actually did some good. They put an ad in the Bee, in the Sacramento Bee about what's happening with the 710 Freeway. I just wanted to mention that.

My question is, though, we've talked about the STIP. And we've talked about whether or not SB 45 really does what we meant for it to do when many of us voted for it.

Do you have any idea about that? Should the state play a role in regional transportation STIP, or should it continue to just focus primarily on the inter-regional needs?

1 I hear a lot of that on the Transportation  
2 Committee, problems between what the state should be doing and  
3 what the regions should be doing in the STIP, and how we allocate  
4 funds.

5 MR. MORALES: It has to be a collaborative effort.  
6 When we look at how people travel, they don't respect the  
7 jurisdictional boundaries of a regional transportation agency or  
8 a county. They travel where ever they have to go. And in many  
9 cases on a regular basis, commuting patterns cut across regions.

10 And there is some concern that at least in some  
11 cases, the plans and the spending of the regions don't match up  
12 as well as they ought to. And that's something we're looking at,  
13 certainly, in terms of how we can work more closely with the  
14 regions to make sure we're getting a balanced system that works.

15 SENATOR KARNETTE: I think some regions need more  
16 help than others. They're constantly asking Caltrans to do  
17 things, and there is a way you can do that. They can borrow  
18 money from that one point-whatever million that you have and use  
19 that money, I hope.

20 MR. MORALES: Yes.

21 SENATOR KARNETTE: Okay, one other question.

22 We talk about energy constantly in the Capitol. Do  
23 you think Caltrans has a role in the energy crisis?

24 MR. MORALES: We do. Let me tell you a few things  
25 we're doing specifically on that.

26 First on the conservation front, we have gone very  
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1 aggressively on a conservation program, and across the Department  
2 have cut our energy usage by over 20 percent, which we're very,  
3 very pleased with.

4 We're also moving forward on a number of  
5 initiatives, including replacing traffic signals, the old  
6 incandescent bulbs with LEDs, which cut usage by about 90  
7 percent, as we go forward. And we're doing that aggressively  
8 statewide.

9 We're also working closely in terms of siting new  
10 facilities with granting permits as necessary, encroachment  
11 permits, for transmission lines, gas lines, whatever the case may  
12 be, to cross state highways. So, we're working very closely with  
13 others in state government to do that.

14  
15 CHAIRMAN BURTON: Senator Knight.

16 SENATOR KNIGHT: Thank you, Mr. Chairman.

17 We've talked about the Bridge and some other things  
18 in Senator Karnette's district. I don't care about the Bridge at  
19 all, other than to make sure that the Chairman is happy.

20 [Laughter.]

21 CHAIRMAN BURTON: If you had any water in your  
22 district, you'd be disturbing.

23 [Laughter.]

24 SENATOR KNIGHT: But I am concerned about the fact  
25 that the Governor has put together the Congestion Relief Program  
26 and increased the STIP from four to five years, and it's pushed  
27 some projects back.  
28



1           And I have a project that has been, from our  
2 standpoint, a significant safety problem for a good many years,  
3 and that's Highway 138.

4           MR. MORALES: Yes, sir.

5           SENATOR KNIGHT: The commuting has increased  
6 between the population centers, and it's a two-lane road, built  
7 100 years ago. And the number of people killed every year on  
8 that highway is staggering. We have tried to get it designated  
9 as a safety project.

10           I want to know how soon, or what your plans are for  
11 that program?

12           MR. MORALES: Sure.

13           And Senator, we've talked about that. And your  
14 views are very clearly known and appreciate on that.

15           In 1999, you sponsored legislation making that a  
16 double-enforcement zone. And the last numbers I saw from the CHP  
17 said that as a result of things that we in cooperation with them  
18 and locals have done in the last few years, that the fatality  
19 rate is, in fact, down since that time significantly, by 60  
20 percent. It is still --

21           SENATOR KNIGHT: But certainly we have to  
22 understand that those were interim measures, Band-Aids, and they  
23 certainly were not --

24           MR. MORALES: They are important, but they're not  
25 the end of the solution.

26           We are working currently on a number of  
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1 improvements: to go to four lanes; to put in climbing lanes;  
2 passing lanes; do a number of things.

3 We have some projects funded currently and  
4 underway, and a number of others that are in the planning stages.  
5 And we're working very closely with the local governments and  
6 with our district office there to move those projects forward.

7 Senator Knight, I assure you, you have our  
8 commitment to dealing with that issue.

9 SENATOR KNIGHT: Well, we'll keep checking with you  
10 from time to time.

11 MR. MORALES: Certainly.

12 SENATOR KNIGHT: Thank you, Mr. Chairman.

13 CHAIRMAN BURTON: Senator Romero.

14 SENATOR ROMERO: Thank you.

15 Just a couple of questions. I also have the 710  
16 that goes through my district. In fact, terminates there. And  
17 it's been a 30-year struggle.

18 Let me ask you, though, last month I met with about  
19 300 families in the El Cedeno area. These are, of course,  
20 renters.

21 The accusation I hear against Caltrans is that you  
22 are an absentee landlord, which of course, taxes local police  
23 agencies to police the area in terms of drug trafficking,  
24 prostitution, et cetera.

25 Can you address for me, what is the policy with  
26 respect to Caltrans in terms of maintaining appropriate housing  
27  
28

standards, and just maintenance of the area when Caltrans does have its rental properties? How do you maintain it?

And when these issues are surfaced, how do you address them?

MR. MORALES: Right.

That's a unique situation, in that we own several hundred homes in that area that are in a corridor that at least may be part of a freeway expansion.

Issues there, we do regular maintenance inspections on the homes. And then, any time we're alerted to an issue, we go out and check it.

And I can tell you, two weeks ago, I believe, we were notified of a problem with the roof in one home, and had an inspector out there within 45 minutes, and had the repair done.

And because of some concerns that were raised as part of that, and the Lt. Governor heard some concerns and relayed them to me also, I actually had our staff go door-to-door to every home that we own in that area to check on the status, regardless of when it had last been maintained.

But we are the landlord there, and we have the responsibility to act as the landlord and maintain those homes.

SENATOR ROMERO: I'm pleased to hear that action, and we'll look forward to, again, if there are subsequent concerns, to hook you up with them.

Secondly, let me ask you as well, what is California doing to prepare for the growth of trade, truck

1 shipments, as a result of NAFTA, with Mexico?

2 MR. MORALES: We have on the border a number of  
3 specific improvements, both to existing facilities, and we're  
4 also working with both state and federal agencies to add some  
5 border crossings on the border. We're working on two additional  
6 crossings, as well as a number of road improvements that will  
7 help not only the truck traffic coming across, but traffic in the  
8 San Diego region down there.

9 We have built state-of-the-art, and I believe they  
10 are more advanced than any other facility anywhere in the  
11 country, truck inspection facilities on our side of the border,  
12 so that every truck coming in is first visually inspected, and  
13 then, as necessary, is pulled in and physically inspected for  
14 safety purposes as it goes through.

15 So, we're doing a number of things on the border to  
16 make sure that we're responding to the growth of traffic that  
17 we're seeing there.

18 SENATOR ROMERO: Thank you.

19 CHAIRMAN BURTON: How does NAFTA impair your  
20 ability to stop these trucks on a safety basis?

21 MR. MORALES: We -- it does not. The concerns have  
22 been raised about safety of trucks.

23 The inspection is primarily a CHP function. We  
24 build the facility along the border to do it, and then provide  
25 any assistance.

26 CHAIRMAN BURTON: Do you know how they're doing?



1 MR. MORALES: They are doing --

2 CHAIRMAN BURTON: Or should we ask them?

3 MR. MORALES: You should probably ask them, but we  
4 are working with them. But we have built the facilities to  
5 inspect the trucks.

6 CHAIRMAN BURTON: Witnesses in support, briefly.  
7 Name, rank, and serial number.

8 MR. MEYER: Mr. Chairman, Paul Meyer, representing  
9 CELSOC, the Consulting Engineers and Land Surveyors of  
10 California, in support.

11 CHAIRMAN BURTON: Next.

12 MR. TUTTLE: Mr. Chairman and Members, Marty Tuttle  
13 from SACOG, the regional planning agency here in Sacramento, in  
14 strong support.

15 CHAIRMAN BURTON: Thank you.

16 MR. ALEXANDER: Dennis Alexander, representing  
17 Professional Engineers in California Government.

18 I'm not sure of my rank, but we're in wholehearted  
19 support of Mr. Morales.

20 CHAIRMAN BURTON: That's the first time CELSOC and  
21 PEG have been together in years.

22 [Laughter.]

23 MR. WATTS: Mr. Chairman and Members, Mark Watts,  
24 representing Transportation in California, a coalition of highway  
25 constructors and labor, in support.

26 MR. HOEMANN: Mr. Chairman and Members, Warren  
27  
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1 Hoemann, California Trucking Association, in support of the  
2 nominee.

3 MR. ASSAGAI: Mel Assagai with the California  
4 Trucking Association and California Urban League Executives in  
5 support of the nominee.

6 MR. RAMIREZ: Mr. Chairman, Frank Ramirez,  
7 representing the Native American Contractors Association in  
8 support, and also the American G.I. Forum in support.

9 MR. GRASSO: Good afternoon. Tony Grasso, the  
10 Associated General Contractors of California, and we are pleased  
11 to support Jeff Morales' confirmation.

12 MR. LEATHERS: Mr. Chairman and Members of the  
13 Committee, Pat Leathers on behalf of the Southern California Rock  
14 Products Association. Pleased to support the confirmation of  
15 Mr. Morales.

16 MR. CREMINS: Tim Cremins, Operating Engineers,  
17 AFL-CIO, also State Bargaining Unit 12, the maintenance workers  
18 in Caltrans, in support.

19 SENATOR KARNETTE: Senator Burton, I have one  
20 complaint. I didn't see one woman.

21 SENATOR ROMERO: I was thinking the same thing.

22 CHAIRMAN BURTON: The guy's got two women  
23 supporters here; why do you need them out there?

24 [Laughter.]

25 CHAIRMAN BURTON: Actually, what you ought to do is  
26 make a list of the people who testified, contact their employers,  
27  
28



1 and ask why they haven't hired more women advocates in the  
2 Capitol.

3 [Laughter.]

4 If you want to see me bury myself deeper, I would  
5 say that I'm sure that his daughter and his wife would come up in  
6 support; right?

7 [Laughter.]

8 CHAIRMAN BURTON: Witnesses in opposition.

9 Moved by Senator Romero. Secretary, call the roll.

10 SECRETARY WEBB: Senator Karnette.

11 SENATOR KARNETTE: Aye.

12 SECRETARY WEBB: Karnette Aye. Senator Knight.

13 SENATOR KNIGHT: Aye.

14 SECRETARY WEBB: Knight Aye. Senator Johnson.

15 SENATOR JOHNSON: Aye.

16 SECRETARY WEBB: Senator Romero.

17 SENATOR ROMERO: Aye.

18 SECRETARY WEBB: Romero Aye. Senator Johnson.

19 SECRETARY WEBB: Johnson Aye. Senator Burton.

20 CHAIRMAN BURTON: Aye.

21 SECRETARY WEBB: Burton Aye. Five to zero.

22 CHAIRMAN BURTON: Congratulations, Jeff.

23 MR. MORALES: Thank you.

24 CHAIRMAN BURTON: Jeanne Woodford, Warden, San  
25 Quentin.

26 We have your statement. Why don't you just make a  
27  
28

1 brief opening statement, Warden, then we'll get to the questions.

2 MS. WOODFORD: Again, my name is Jeanne Woodford.

3 I started with the California Department of Corrections in 1978,  
4 following my graduation from Sonoma State College with a degree  
5 in criminal justice.

6 I started as a correctional officer at San Quentin  
7 State Prison, and my entire career has been at San Quentin State  
8 Prison, with the exception of about six months that I've spent in  
9 Headquarters.

10 I have promoted up through the Department, holding  
11 a variety of assignments. And more importantly, I have managed  
12 different missions while at San Quentin, having worked with male  
13 offenders at Level I, Level II, Level IV, Reception Center, and  
14 condemned inmates.

15 And I will answer any questions you have for me.

16 CHAIRMAN BURTON: Why don't you comment on the  
17 telephone situation?

18 MS. WOODFORD: Well, first I'd like to say that the  
19 Department of Corrections receives no money from the telephone  
20 issue. It's managed by the Department of General Services.

21 My personal viewpoint on that topic is that we  
22 shouldn't be charging the families of inmates.

23 But I do caution, because I am aware that some  
24 counties do utilize that money. For example, I know Alameda  
25 County utilizes that money to fund their pre-release programs.

26 So, in looking at that issue, some of the counties  
27  
28

1 would have to look at other ways to fund those kinds of -

2 CHAIRMAN BURTON: The counties don't get this. The  
3 counties would fund it from the county jail funds.

4 Would they get it?

5 MS. WOODFORD: They also get ten percent at the  
6 county level.

7 CHAIRMAN BURTON: Right, but just talking on the  
8 prison thing, that money goes back in the general fund?

9 MS. WOODFORD: To the general fund. But I know  
10 some counties use that money differently.

11 CHAIRMAN BURTON: That's actually for their Board  
12 of Supervisors. Did we get a commitment from Barry to look at  
13 it? All right.

14 Just one question. You have, which I happen to  
15 know because San Quentin's in the district I represent, there is  
16 really, I think, better than most institutions, a record of  
17 having volunteers to work in the prison to, you know, do  
18 something with the prisoners.

19 How do you accomplish that? I mean, I know that  
20 was going on before you were Warden.

21 MS. WOODFORD: Right.

22 CHAIRMAN BURTON: What's the magic? The magic of  
23 Marin, or what?

24 MS. WOODFORD: I really do believe that there's  
25 just a tradition of the surrounding counties. It's not only  
26 Marin but all the counties around us.

1 I think it's also, our staff attract many  
2 volunteers. We have chaplains like Earl Smith, who's out there  
3 in the community, bringing volunteers in. Our teachers are very  
4 active in bringing volunteers in. Many of our staff are out in  
5 the community, talking about San Quentin and the programs we  
6 offer.

7 And from being out in the community and speaking to  
8 different groups, we receive many people interested in coming in  
9 and volunteering their time.

10 We're very fortunate. Last year, we had over 2,000  
11 volunteers come into the prison. And we have 300 that come in  
12 who are very committed and come in routinely.

13  
14 CHAIRMAN BURTON: Do they still have the Visitor's  
15 House? What's the name of it?

16 MS. WOODFORD: We have a Visitor's Center, but the  
17 contract is no longer held by the House. It's now held by  
18 Friends Outside.

19 CHAIRMAN BURTON: Who held it before?

20 MS. WOODFORD: It was Center Force.

21 CHAIRMAN BURTON: Yes.

22 MS. WOODFORD: Center Force is still there, and  
23 they're still involved in the prison. They provide our peer  
24 interactive training for our health education programs, our HIV  
25 services, and our other health education services are provided by  
26 Center Force.

27  
28 And they also work with visitors, but they don't



1 have the contract for the Visitor's Center.

2 CHAIRMAN BURTON: Was that a contract that was just  
3 put out to bid or what?

4 MS. WOODFORD: It was put out to bid about a year  
5 ago and was given to Friends Outside.

6 CHAIRMAN BURTON: Senator Johnson.

7 SENATOR JOHNSON: No questions.

8 CHAIRMAN BURTON: Senator Karnette.

9 SENATOR KARNETTE: I know you have a serious  
10 problem at San Quentin, and I thought you might want to comment  
11 on that.

12  
13 MS. WOODFORD: Well, we have three missions at San  
14 Quention: Reception Center, and our intake is 100 inmates a day;  
15 and a Level II mission, which is a mission that we're very well-  
16 suited for, and those are inmates who'll be returning to parole,  
17 and we're able to provide many services because of our volunteers  
18 and the committed staff at San Quentin.

19 But we also have the mission of housing the  
20 condemned, and the condemned population is up to 571 inmates. We  
21 receive them at the rate of 3 a month. And so, that presents two  
22 problems, and the problems are one that's more immediate.

23 In the condemned population, they're classified  
24 into two groups: Grade As, and those are the inmates who are  
25 very conforming in prison; and Grade Bs, and those are inmates  
26 who are gang members, and more recently have had a lot of  
27 violence towards staff in the forms of spearings, gassings, and  
28

1 attempted -- cutting out of a yard and attempting to take over  
2 the Adjustment Center.

3 The more immediate problem is what to do with this  
4 very high-risk, dangerous group of inmates.

5 The more long-term problem for the condemned is  
6 where to house them, because by 2003, we will have outgrown - we  
7 will have no more room in the three housing units that they're  
8 currently housed in.

9 In addition to just their housing, we have other  
10 cells we can put them in, but there are program issues, such as:  
11 yard, where will they go to yard; how will we get them to a SHU  
12 law library; the condemned visiting room is very crowded, where  
13 will we expand for visiting.

14 So, the immediate issue, which is the Nation's  
15 bill, is moving some of the Grade Bs from San Quentin to a more  
16 secure environment because of our physical plant. We have open-  
17 cell fronts, which makes our staff more vulnerable.

18 The more long-term issue is what to do with the  
19 condemned as their numbers grow.

20 SENATOR KARNETTE: Thank you.

21 CHAIRMAN BURTON: Senator Knight.

22 SENATOR KNIGHT: I was just curious and would like  
23 to go back to the telephone issue.

24 You indicated that there were various organizations  
25 that utilized those funds and were dependent on those funds, and  
26 that seemed to be justification for the tax, if you will, and  
27  
28



1 independent of who it was on.

2 CHAIRMAN BURTON: That's the county, not the state.

3 MS. WOODFORD: Yes.

4 SENATOR KNIGHT: Well, I understand. But whomever  
5 it was, the indication was that that's part of the justification  
6 for collecting those monies, because somebody was dependent on  
7 them.

8 I find that, you know, a little amazing that that's  
9 the justification for a tax.

10 CHAIRMAN BURTON: They're all taxes.

11 MS. WOODFORD: Well, my comment to that is that at  
12 the state level, that is not the case. It goes into the general  
13 fund.  
14

15 I only mentioned the county issue, which really  
16 isn't my issue, because I know that some counties are dependent  
17 upon that to provide services to those inmates that they're  
18 releasing, which is an important issue. And I'd want to be sure  
19 that they had some other way of funding pre-release programs.

20 CHAIRMAN BURTON: If anything happened with this,  
21 it wouldn't affect the county jails.

22 MS. WOODFORD: No, that's true.

23 CHAIRMAN BURTON: But I agree with the Senator.  
24 That's justification for all those confiscatory taxes.

25 SENATOR KNIGHT: Yes.

26 CHAIRMAN BURTON: Senator Romero.

27 SENATOR ROMERO: Again I have two questions.  
28

1 If you can describe for us the steps that you are  
2 taking to avoid gang or race-related violence incidents. What  
3 are you doing to avoid these?

4 And secondly, if you can, describe for us your  
5 academic, your educational programs that are available there for  
6 inmates?

7 MS. WOODFORD: Okay.

8 I actually think that the answer to the first  
9 question is included in the answer to the second question, so I'd  
10 like to start with that.

11 We run the state's only college program, and we do  
12 that at no expense to the taxpayers, utilizing volunteer  
13 professors from primarily University of California, Berkeley.  
14 And inmates at San Quentin are able to achieve their A.A. degree,  
15 and we're in the process of expanding that to a B.A. degree.

16 And we do that because public protection and public  
17 safety is our number one priority.

18 SENATOR ROMERO: And can I just ask, who are you  
19 working with to expand it to the B.A. degree?

20 MS. WOODFORD: St. Mary's College is interested in  
21 assisting us with that. In fact, I'll be meeting with some  
22 people from St. Mary's and from U.C. Berkeley next week on that  
23 issue. So, we're talking about how we can expand those services.

24 But education really is the answer to reducing  
25 recidivism. And education, you know, reading, writing, and  
26 'rithmetic is important, but education beyond that. We recognize  
27  
28

1 that, and that's why we bring in so many programs, such as  
2 Parenting Program and our Alternative to Violence Program, which  
3 goes back to your first question.

4 We identify programs and bring them into the prison  
5 to try to teach inmates different ways of dealing with their  
6 issues. Alternative to Violence is one of those programs. Man  
7 Alive is another program that we have at San Quentin.

8 SENATOR ROMERO: Are there policies of physical  
9 separation based on membership in certain organizations or race?  
10 Can you describe those?

11 The programs, I applaud your efforts. I  
12 congratulate you, and I'd like to learn more about the expansion  
13 to the B.A. program, and let's move forward.

14 But in the meantime, somebody comes in. There are  
15 gang, race-related incidents.

16 How do you manage? Is there physical separation?  
17 If you can, describe that.

18 MS. WOODFORD: Well, when -- if you're talking  
19 about an inmate that comes into the Reception Center, yes, we do  
20 -- we have to do physical separation because of the physical plan  
21 of San Quentin. We have one main yard, then we have a couple of  
22 small yards that the Reception Center can use.

23 So, if we have inmates that are compatible, we're  
24 able to put them into that environment. If they're not, at our  
25 facility we have to place them into Ag. Seg. and transfer them to  
26 a facility where they can do their time.



1 But the issue of gang violence for the Department  
2 is a real problem. And we are attempting to address it as we  
3 have gone forward with our requests for the Violence Control  
4 Program Department-wide, which does not so much impact San  
5 Quentin as it does other prisons that are having more problems  
6 with gang violence.

7 As a Level II general population, I don't have the  
8 gang violence issues that our Level IVs do. But being aware of  
9 our problems Department-wide, the Violence Control Program is  
10 designed to do that.

11 Because -- and I was fortunate enough to start with  
12 the Department of Corrections right at the end of the  
13 indeterminate sentencing law. Under the indeterminate sentencing  
14 laws, inmates came in with a motivation to be involved in  
15 programs. And that motivation was, you had to convince the Adult  
16 Authority that you were ready to parole. So, they came in to  
17 participate and to convince people of their readiness.

18 When we went to the determinate sentencing law, we  
19 lost that sort of hammer that we had over people to be involved.  
20 And that's really when violence began to escalate.

21 And we studied it from many different perspectives,  
22 and looked at other states. And the Violence Control Program  
23 seems to be the way to go to address this issue with the  
24 determinate sentencing law.

25 I hope that answers your question.

26 CHAIRMAN BURTON: In other words, under

1 indeterminate sentence, if they behave, they have a shot at  
2 getting out. If they didn't, they were in longer.

3 MS. WOODFORD: Uh-huh.

4 CHAIRMAN BURTON: So, under determinate sentence,  
5 they could be very good and not get out until it's time to get  
6 out.

7 So what would be a Violence Control Program under  
8 determinate sentencing? Just keep separating people that don't  
9 like each other or what?

10 MS. WOODFORD: No, under the Violence Control  
11 Program, you have a traditional general population, and that is  
12 made up with all the services that we provide. And inmates have  
13 to be involved in program.

14 And if you're not involved in programs, if you're  
15 not going to work, not going to school, if you're not going to  
16 AA, if you're not doing all of the things that make you ready for  
17 parole, then you would end up in a nontraditional general  
18 population with less privileges. So, there's some incentive to  
19 be involved.  
20

21 For many years, we haven't set very high standards  
22 for our inmates. I mean, you come in, and you, if you go to  
23 work, and if you didn't pick up disciplinaries, you went home a  
24 little bit sooner. And if you didn't do any of that, you went  
25 home a little bit later.  
26

27 But under the indeterminate sentencing law, when  
28 inmates arrived, they were given actually a prescription of what

1 they had to do. You had to go to AA; you had to get involved in  
2 school; you had to go to conflict resolution.

3 So, we're attempting, through the Violence Control  
4 Program, to return to much of that. And I think it's a very good  
5 thing for the state. I think it will assist us in reducing  
6 recidivism, because we have found with some of our drug programs  
7 that even when you make people go to those programs, they don't  
8 volunteer, they still benefit, and recidivism is reduced. And it  
9 really is opening up possibilities to people. And you have to  
10 get them there before you can do that.

11 So, I think we're headed in the right direction.  
12 I'm very excited about it and happy to be a part of this time in  
13 Corrections.  
14

15 CHAIRMAN BURTON: Did you bring any family with  
16 you?

17 MS. WOODFORD: I brought my husband with me, Eric  
18 Woodford.

19 CHAIRMAN BURTON: Witnesses in support?

20 MR. MABRY: Sir, I'm going to take a seat, and I'll  
21 explain my reasons for that.

22 I was watching the group before me come in, and  
23 they all sort of bent over and spoke. And working in prisons for  
24 23 years at a place like San Quentin, that could be dangerous.

25 [Laughter.]

26 MR. MABRY: Chairman Burton and Rules Committee  
27 Members, my name is Roy Mabry. I'm the State President for the  
28



1 Association of Black Correctional Workers.

2 I'm here today on behalf of our membership, giving  
3 complete support for Warden Woodford.

4 And I'd like to welcome Gloria Romero, our latest,  
5 newest addition to the Rules Committee.

6 And I've toured San Quentin. I've actually visited  
7 every single shift on several occasions.

8 And the one thing I'm proud about is the fact that  
9 this Warden has worked her way to the position she's here being  
10 confirmed for today, hopefully, and every classification. And  
11 that's a rarity, to have a Warden run the prison that's got the  
12 perception of being the most notorious prison in the country.  
13 For a female taking the lead at that prison, I think that's a  
14 great, great thing for the State of California.

15 And with that, Ms. Woodford, I'd like to say  
16 congratulations, and I'll just take a hug from you.

17 CHAIRMAN BURTON: Next.

18 MS. HILL: Good afternoon. My name is Elaine Hill.  
19 I am a nurse out of California State Prison, Sacramento, but I'm  
20 here today as a representative of the Correctional Institutions  
21 Committee for CSEA.

22 CSEA supports the confirmation of Ms. Woodford.  
23 The Correctional Committee met with Ms. Woodford and the  
24 leadership of San Quentin, and she made a commitment to meet with  
25 the Union on a regular basis and to continue to try to open the  
26 lines of communication. She has agreed to notify CSEA when  
27  
28

1 issues arise that affect our members, have open forums with rank  
2 and file, regularly scheduled joint labor-management meetings  
3 between administration and/or the Warden.

4 And Ms. Woodford has requested retention and  
5 recruitment for all employees at San Quentin. She also requested  
6 the bridge tolls be waived for state employees, and of course,  
7 CSEA is very much in support of those.

8 So yes, we think she would be very good.

9 MS. WOODFORD: Thank you. I appreciate that.

10 CHAIRMAN BURTON: Next, sir.

11 MR. JONES: My name's Anthony Jones. I'm the  
12 Chapter President for the California Correctional Peace Officers  
13 Association at San Quentin.

14 I have worked under three wardens, and I must say  
15 that Jeanne Woodford has proven to have the intestinal fortitude  
16 and the ability to bridge the gaps that the other two wardens  
17 that I for didn't.

18 I'm in my third term as Chapter President there.  
19 I've got to say that labor relations has improved tremendously  
20 since Ms. Woodford has taken over. We used to lead the state in  
21 everything: adverse actions; SPBs; grievances. I think I filed  
22 400 grievances in a month between me and my vice president under  
23 another warden.

24 I've got to say that this year, I haven't filed one  
25 grievance. We've been able to establish a labor relations at San  
26 Quentin to where we deal with the IFRs, issues, facts, and  
27  
28

1 remedies. We finally have somebody at the helm that is willing  
2 to open her ears up and listen to the rank and file, because  
3 that's where she came from. And she understands us.

4 We don't get -- you know, we don't see eye-to-eye  
5 on everything, but if we did, I wouldn't respect her.

6 And I think she would be -- I'm asking for a  
7 unanimous Ayes from all this Committee for her appointment to  
8 Warden at San Quentin.

9 CHAIRMAN BURTON: Thank you.

10 Next.

11 MR. CRITTENDON: I'm Vernell Crittendon. I'm a 25-  
12 year employee at San Quentin State Prison.

13 I've been fortunate enough to work with Jeanne  
14 Woodford as a correctional officer and watch her all the way  
15 through her promotions, all the way up to Warden of San Quentin.

16 I've also had an opportunity to talk to a large  
17 number of our employees, somewhere around 1550 employees at San  
18 Quentin. And I think easily 1,000 of them know me by name or by  
19 face, and we've discussed issues over the time that they've been  
20 employed there. And all of them that I'm aware of have all sent  
21 their support on behalf of Jeanne Woodford's confirmation.

22 Many of them who could not attend today asked me to  
23 make sure that we did say that we all at San Quentin are very  
24 proud of her, and we believe that she should be confirmed as our  
25 Warden.

26 Thanks.

CHAIRMAN BURTON: Did you work with my brother?

MR. CRITTENDON: Your brother?

CHAIRMAN BURTON: Yes.

MR. CRITTENDON: Unfortunately, I'm too young. I started in 1976.

CHAIRMAN BURTON: I think he left in '80; didn't he?

MR. CRITTENDON: Did he?

CHAIRMAN BURTON: School teacher.

MR. CRITTENDON: Yeah. I thought it was before then he left. '80, no, I missed him.

CHAIRMAN BURTON: Thank you.

Any opposition?

I'll make the motion for approval. Call the roll.

SECRETARY WEBB: Senator Karnette.

SENATOR KARNETTE: Aye.

SECRETARY WEBB: Karnette Aye. Senator Knight.

SENATOR KNIGHT: Aye.

SECRETARY WEBB: Knight Aye. Senator Romero.

SENATOR ROMERO: Aye.

SECRETARY WEBB: Romero Aye. Senator Johnson.

SECRETARY WEBB: Johnson Aye. Senator Burton.

CHAIRMAN BURTON: Aye.

SECRETARY WEBB: Burton Aye. Five to zero.

CHAIRMAN BURTON: Congratulations.



1 MS. WOODFORD: Thank you so much.

2 [Thereupon this portion

3 of the Rules Committee

4 hearing terminated at

5 approximately 2:50 p.m.]

6 --oo0oo--

CERTIFICATE OF SHORTHAND REPORTER

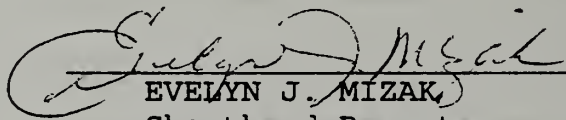
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That I am a disinterested person herein; that the foregoing transcript of the Senate Rules Committee hearing was transcribed verbatim by me, Evelyn J. Mizak, into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said hearing, nor in any way interested in the outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this

3<sup>rd</sup> day of May, 2001.

  
EVELYN J. MIZAK,  
Shorthand Reporter



49

STATEMENT  
OF  
RALPH H. WEBB  
EXECUTIVE DIRECTOR  
INTERSTATE 5 CONSORTIUM CITIES JOINT POWERS AUTHORITY  
LOS ANGELES/ORANGE COUNTIES

TO THE  
RULES COMMITTEE  
CALIFORNIA STATE SENATE

ON  
THE CONFIRMATION OF JEFF MORALES, DIRECTOR OF CALTRANS

APRIL 25, 2001

I am Ralph H. Webb, Executive Director for the Interstate 5 Consortium Cities Joint Powers Authority. On behalf of the I-5 Joint Powers Authority, the City of Norwalk (the lead agency for the I-5 JPA), and Norwalk Councilman Rudy Bermudez, I appreciate the opportunity to appear in support of confirmation of Jeff Morales as Director of Caltrans.

The story of the I-5 JPA and the I-5 corridor from State Route 91 to the I-710 is one of partnership with Caltrans, the development of consensus among the transportation authorities as well as in the I-5 corridor communities, and the development of good transportation planning and public policy. The results of this experience demonstrate the need for Caltrans leadership that is committed to partnering, development of good transportation public policy, and the timely delivery of improvements to our transportation systems.

The I-5 JPA represents the cities of Commerce, Downey, Santa Fe Springs, Norwalk, La Mirada, and Buena Park in the 20-mile I-5 corridor from State Route 91/I-5 to the I-5/I-710 interchange. The JPA cities have a combined population of approximately 375,000.

The I-5 JPA was established in 1991 over concern that plans for significantly widening Interstate 5 would have significant, adverse social and economic impacts on I-5 corridor communities. The corridor is fully developed with much of the corridor's economic base located adjacent to the freeway. Significant widening would result in the relocation of businesses outside the I-5 corridor and the loss of jobs and tax base those businesses represent. Additionally, widening would result in significant disruption to the many residential neighborhoods that abut the I-5.

I-5 improvements are being completed in Orange County. Those improvements, generally a 10 lane facility with four general purpose lanes and one HOV lane in each direction, will transition to the existing 6 lane facility which exists within the I-5 JPA's jurisdiction. Once completed, these improvements will exacerbate the existing congested conditions on the I-5 and in the adjacent communities.

While recognizing the existence of congestion on the I-5 and in the adjacent communities, the I-5 JPA has argued that widening Interstate 5 alone will not successfully address the I-5 corridor traffic problems. A 26-lane freeway would be required to insure free flowing traffic. Only a multimodal, intermodal solution can address the problems while protecting the interests of the corridor communities. The I-5 JPA has promoted this strategy since 1991. The strategy cannot be implemented without a partnership of Caltrans, other transportation authorities, and the I-5 JPA.

A Major Investment Study was completed in 1998. Out of the I-5 MIS was developed a locally preferred alternative approved by Caltrans, SCAG, the Los Angeles County Metropolitan Transportation Authority, the Orange County Transportation Authority, the I-5 JPA and the six cities represented by the I-5 JPA. The \$2 billion I-5 preferred alternative is a multi-modal, intermodal alternative that calls for improvements to the I-5 matching the I-5 configuration in Orange County as well as a host of Transportation System Management and Transportation Demand Management improvements.

The State Traffic Congestion Relief Program is providing funding for the environmental review and design of I-5 improvements from the I-5/SR 91 to the I-5/I-710 interchange. The environmental review has begun. The I-5 project will break ground in 2004.

The I-5 JPA has partnered with Caltrans and other transportation authorities in planning the future of the I-5 corridor. The I-5 JPA's participation has included funding for the I-5 MIS, other I-5 studies, and the implementation of some Transportation System Management improvements. The partnership has culminated with the I-5 MIS and locally preferred alternative, the development of consensus for I-5 improvements, and the funding of transportation system management improvements in the I-5 corridor.

The continuation of this unique partnership is imperative to insure the timely, successful implementation of this important improvement to the I-5 corridor transportation network. We are looking forward to the confirmation of Mr. Morales as the Director of Caltrans, as we have developed an effective working relationship with him in regards to this project and would like it to continue.

Thank you.



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27 Evelyn J. Mizak  
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APPEARANCESMEMBERS PRESENT

SENATOR BETTY KARNETTE

SENATOR WILLIAM KNIGHT, Acting Chair

SENATOR GLORIA ROMERO

MEMBERS ABSENT

SENATOR JOHN BURTON, Chair

SENATOR ROSS JOHNSON, Vice Chair

STAFF PRESENT

GREG SCHMIDT, Executive Officer

PAT WEBB, Committee Secretary

NETTIE SABELHAUS, Consultant on Governor's Appointments

SUSIE SWATT, Consultant to SENATOR JOHNSON

TIM SHELLEY, Consultant to SENATOR KARNETTE

CHRIS BURNS, Consultant to SENATOR KNIGHT

ALSO PRESENT

GENEVIEVE A. SHIROMA, Member  
Agricultural Labor Relations Board

SENATOR DEBORAH ORTIZ

GEORGE GOMES  
California Farm Bureau Federation

NORMA A. TURNER, General Counsel  
Agricultural Labor Relations Board

ROY GABRIEL  
California Farm Bureau Federation

MELINDA G. WILSON, Chief Deputy Director  
Rehabilitation Department



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P-R-O-C-E-E-D-I-N-G-S

--ooOoo--

SENATOR KNIGHT: Genevieve Shiroma, Member,  
Agricultural Labor Relations Board.

SENATOR ORTIZ: Might I introduce?

SENATOR KNIGHT: You may, Senator Ortiz.

SENATOR ORTIZ: Mr. Chair and Members, it's an  
honor here to introduce Genevieve Shiroma, for whom I  
respectfully request reappointment by this Committee to the Ag.  
Labor Relations Board.

Ms. Shiroma, as you know, has been serving as a  
Board of Directors of the SMUD Board as well as the Chair of the  
ALRB. She's worked for 20 years as a California Air Resources  
Board engineer.

She is the Governor's appointee. I believe she's  
represented the complex issues before the Ag. Labor Relations  
Board in a way that she's balanced the interests of the employer  
as well as the workers. And she is in fact the daughter of a  
retired farmworker.

I think she's been an asset to this  
administration, and I would respectfully request favorable  
consideration of this Board for her reappointment.

SENATOR KNIGHT: Thank you, Senator Ortiz.

Would you care to make a statement?

MS. SHIROMA: Yes, thank you, Chairman Knight.

It's a pleasure to be with you today, Chairman  
Knight and Members of the Rules Committee, Executive Director.  
I am honored to have the opportunity to appear before you

1 today.

2 I would like to introduce a couple members of my  
3 family. My husband, Michael Abbott is here, and also my sister,  
4 Amy Shiroma.

5 SENATOR KNIGHT: Thank you.

6 MS. SHIROMA: Also with me today is another ALRB  
7 Board Member, Gloria Barrios.

8 I have a brief statement. I last appeared before  
9 you for confirmation in August of 1999, when I was appointed to  
10 fill the remainder of a term on the Board. At that time, we  
11 discussed short and long term goals: to issue fair and timely  
12 decisions on elections and unfair labor practice charges, to  
13 increase outreach, to meet with stakeholders, to assess our  
14 resources and our efficiency.

15 I'm happy to report that since then, we met each  
16 of these goals, despite limited resources, and have developed  
17 new goals as a result of completing a needs assessment.

18 Last year the Senate included budget language  
19 requiring us to conduct such a needs assessment. We were asked  
20 to address our current outreach in education efforts, the ease  
21 with which farmworker and grower communities can reach our  
22 services, any workload changes resulting from changes in the  
23 worker populations or industry practices, our ability to monitor  
24 compliance and process unfair labor practice charges, and our  
25 future needs. There was a lot to it.

26 We went on the road. We did a lot of  
27 investigations. We completed this assessment on time and  
28 submitted our report to you, to the Joint Legislative Budget



1 Committee, in January.

2 Over all, we found that, in fact, there is a new  
3 generation of farmworkers which is largely unaware of our law  
4 and its protections. We found these same farmworkers often have  
5 little ability or means to use the ALRB and our processes. As  
6 one farmworker said to us, if you don't know your rights, it's  
7 as though you have no rights.

8 We concluded we need additional resources to  
9 address these deficiencies. We therefore submitted a Finance  
10 letter last month to the Legislature, requesting an increase in  
11 staffing and outreach funding.

12 I'm pleased to share with you that last week,  
13 Senator Byron Sher's Budget Committee unanimously approved our  
14 request. We go before the Assembly next week.

15 In conclusion, I am fully committed to this very  
16 important law and to the stability of the Agricultural Labor  
17 Relations Board. I am fully committed to meeting the  
18 expectation of the worker and the employer alike, that the law  
19 is enforced and that the process is fair and timely.

20 In California, we have between 800,000 and  
21 900,000 farmworkers employed by 35,000 thousand employers.  
22 They are essential. They are skilled. They work hard. They  
23 have rights under our law.

24 We have 25 years of experience. We have 25 years  
25 of case law. We have committed staff. We have a committed and  
26 engaged Board and General Counsel.

27 I would be honored to have the opportunity to  
28 continue to be a part of this very important effort. I

1 respectfully request your confirmation of my appointment as a  
2 Board Member to the Agricultural Labor Relations Board.

3 Thank you, and I would be happy to answer any  
4 questions you may have.

5 SENATOR KNIGHT: Thank you very much.

6 You know, since the Act, the nature of employment  
7 practices has changed. We now have contractors who provide  
8 labor to a lot of the farmers.

9 Has that changed your ability to enforce the Act  
10 at all?

11 MS. SHIROMA: It has insofar as under our Act,  
12 from the very beginning, the employer is liable for the  
13 requirements of our Act.

14 In hiring a farm labor contractor, it creates a  
15 second layer that we must go through to discover who, in fact,  
16 is the employer. So, for us, that's a challenge as far as the  
17 farmworker, the supervisor, where there's a farm labor  
18 contractor, and ultimately who is the employer. For us, it is  
19 the investigation that, perhaps, takes a little extra long for  
20 us to find out who is the actual employer.

21 SENATOR KNIGHT: Does that then make it more  
22 difficult for you to deal with the employers, the farmers?

23 MS. SHIROMA: It can, because a farm labor  
24 contractor may take a group of employees to one farm on one day,  
25 perhaps to another farm on another day. So, for us, it's a  
26 matter of being able to track through to find the employer.

27 But ultimately, once we do find the employer,  
28 then all of our protections are there.

1           SENATOR KNIGHT: Thank you.

2           Any questions from Senator Karnette?

3           SENATOR KARNETTE: You mentioned that the concern  
4 with the new farmworkers coming in, they don't know their  
5 rights.

6           Do you think that's the major issue facing ALRB  
7 right now, is getting information out to the farmworkers  
8 themselves? Is that the biggest issue facing you?

9           MS. SHIROMA: I would say it's one of the issues  
10 facing us.

11           We also -- and in terms of education, we hope to  
12 have both prevention for both the employer and for the employee.

13           You'll probably hear later from our General  
14 Counsel that another challenge that we have is in terms of  
15 looking at becoming more efficient in how we process unfair  
16 labor practice charges. There's the old saying that justice  
17 delayed is justice denied. So, we are looking at utilizing  
18 tools so we can expedite that.

19           Farmworker comes in. We're able to investigate  
20 quickly, determine whether there's merit or not. If there is,  
21 go to complaint, go through the regular court procedure. That's  
22 also a challenge for us, and hence, part of our request for  
23 additional staffing.

24           SENATOR KARNETTE: And if you get the additional  
25 staffing, those will be two things you'd work on?

26           MS. SHIROMA: Yes, ma'am.

27           SENATOR KARNETTE: Thank you.

28           SENATOR KNIGHT: You indicated, justice delayed

1 is justice denied. I thought the defense attorneys, that was  
2 their mantra.

3 [Laughter.]

4 MS. SHIROMA: I can't comment on that, sir.

5 SENATOR KNIGHT: Senator Romero.

6 SENATOR ROMERO: Thank you.

7 Of course, welcome before the Committee. You  
8 have some impeccable credentials and very strong letters of  
9 reference.

10 I'd like to ask a question, actually a follow-up  
11 on what the Senator previously asked of you.

12 Last year, I did carry a bill which dealt with  
13 what I believed to be a real weakness and a side effect of the  
14 increase of farm labor contractors, and what I believe does  
15 contribute to abuse in the fields.

16 I'd like to ask you if you can expand on the  
17 question that the Senator did ask of you in terms of the  
18 complications that do arise in California and with the ALRB in  
19 terms of enforcing rights and protections for farmworkers with  
20 the increased use of farm labor contractors system, which I  
21 believe is a broken system in California.

22 I'd like to hear your views on this.

23 Secondly, if you can characterize what you  
24 believe to be the status, the state, the condition, of labor  
25 relations in California. Again, we've seen some real atrocities  
26 in the field. And yet, we've begun to see an increase in some  
27 unionizing victories in California.

28 So, if you can follow-up and expand on the



1 question the Senator asked, and then if you can tell me what you  
2 believe your overall view to be of labor relations in California  
3 today.

4 MS. SHIROMA: Okay.

5 SENATOR KNIGHT: In 25 words or less.

6 MS. SHIROMA: Yes, sir.

7 The Act which I oversee, implement, enforce,  
8 makes very clear that in fact it is the employer who is  
9 responsible, liable, for unfair labor practice charges.

10 The increased use of farm labor contractors has  
11 added a more complicating difficult dimension our investigations  
12 simply because when a farmworker walks in the door, who doesn't  
13 speak English, who's trying to identify who the alleged  
14 perpetrator is, then our staff -- it may be, well, it's the  
15 fellow with the cap that says, you know, ABC Farms.

16 Then it's a matter of having to go through that  
17 investigation, and finding out that ABC Farms is actually a farm  
18 labor contractor. Where was that farmworker on the day that the  
19 incident occurred? Then following through to find out who the  
20 employer is.

21 I also understand that in today's agricultural  
22 world, much of the farming community relies on farm labor  
23 contractors in order to have a steady and reliable workforce.  
24 But for us, it is that investigation which complicates it for  
25 us.

26 But we have the strength of the law, which  
27 ultimately says that there is a liable entity there for us. So,  
28 that's the key thing for us.

1 Now, in terms of overall labor relations, I would  
2 say that probably with any industry out there, any worker,  
3 employee-employer effort out there, that, by and large, we have  
4 employers and employees who have a stable environment. But then  
5 there is always that smaller percentage, whatever it may be,  
6 where there are difficulties.

7 I would hope that under my Board, with my new  
8 Board members, the new General Counsel, that what we are doing  
9 for farmworkers under collective bargaining is, we are providing  
10 an environment that is respected, that is viewed as fair. I  
11 think we have a track record now, after two years, to show that,  
12 in fact, we have that point of view, and that will be a  
13 stabilizing force.

14 SENATOR ROMERO: Thank you.

15 SENATOR KNIGHT: Any other questions from the  
16 Committee? Do I have a motion?

17 SENATOR KARNETTE: Move the confirmation.

18 SENATOR KNIGHT: It's been moved. Secretary,  
19 call the roll.

20 Oh, have we got support? I'm sorry. I'm new at  
21 this.

22 MR. GOMES: Senator and Members, my name is  
23 George Gomes. I'm with the California Farm Bureau.

24 I'm here to support the appointment, the  
25 confirmation, of Ms. Shiroma. And I think you should reflect on  
26 her standard of performance as it relates to a public servant.  
27 She is one who has, I think, achieved some admirable levels of  
28 performance and should be emulated by others in public service,



1 to where she comes to the job without a personal agenda, other  
2 than to implement the law and to translate it as it was intended  
3 by the Members of this House.

4 So, we certainly support the objective job that  
5 she is doing, and the standards that she set in influencing  
6 other members of the Board to also reach out to the agricultural  
7 farmers and their employees and others to try and have a valid  
8 and objective interpretation of the law.

9 Thank you.

10 SENATOR KNIGHT: Thank you. I think you're  
11 supporting a winner.

12 Any opposition? Hearing no opposition,  
13 Secretary, call the roll.

14 SECRETARY WEBB: Senator Karnette.

15 SENATOR KARNETTE: Aye.

16 SECRETARY WEBB: Kanette Aye. Senator Knight.

17 SENATOR KNIGHT: Aye.

18 SECRETARY WEBB: Knight Aye. Senator Romero.

19 SENATOR ROMERO: Aye.

20 SECRETARY WEBB: Romero Aye. Three to zero.

21 SENATOR KNIGHT: Three to zero.

22 Congratulations.

23 MS. SHIROMA: Thank you so much. Thank you.

24 SENATOR KNIGHT: Next will be Norma Turner,  
25 General Counsel, Agricultural Labor Relations Board.

26 MS. TURNER: Chairman Knight, Members of the  
27 Committee, thank you for this opportunity to share with you a  
28 brief overview of the work of the General Counsel.

1           The Act vests in the office total and final  
2 authority to investigate all unfair labor practice charges, to  
3 issue complaints in meritorious cases, and to prosecute them  
4 both before the law judges and the Board.

5           Then, when the Board remedies violations of the  
6 Act, it is General Counsel who enforces its orders. It is  
7 through the Board's remedial provisions that the purposes and  
8 policies of the Act are defined, rights are protected, and  
9 further unlawful conduct is deterred.

10           My entire legal career has been that of a labor  
11 lawyer. I was here when the ALRB opened its doors. And  
12 although the Board has since that time issued hundreds of  
13 decisions and rulings, let me assure you that no two cases are  
14 alike. Every case raises new facts, and new analysis, and new  
15 interpretations of established precedents.

16           And the Board, I think, has had an astonishing  
17 record of success in defending its decisions in the various  
18 Courts of Appeal, so there is a clear body of labor law under  
19 the California Act. And of course, there is 65 years of federal  
20 precedence under the National Labor Relations Act which we are  
21 bound to follow.

22           I know that the agency will confront new and  
23 emerging issues in the years ahead, and while no one can predict  
24 what issues will land on the General Counsel's desk, I think it  
25 is important the General Counsel have the knowledge and the  
26 competence to deal with all issues, and to do so quickly and  
27 consistently based only on sound labor law principals.

28           Litigation is time consuming and costly for all

1 parties. It may even be ugly, particularly for farmworkers who  
2 have had no experience with the legal system. If I have an  
3 agenda, it is to vigorously enforce meritorious cases while  
4 somehow finding the means by which to simplify and expedite that  
5 process.

6 For example, we will assist parties in  
7 voluntarily resolving their disputes by early settlement in  
8 order to eliminate need for trial, and where feasible, we must  
9 abandon the present dual litigation process whereby liability  
10 and damages are resolved in separate and often protracted  
11 proceedings.

12 Finally, an issue which obscures all others for  
13 me, and that is how to timely and thoroughly investigate  
14 charges. That task should and will consume me in an ongoing  
15 experiment. Any delay in investigating charges inevitably  
16 results in an unjust benefit for wrong doers and unjustified  
17 harm to those whose rights have been violated.

18 I respectfully ask for your endorsement of my  
19 appointment, and I welcome your questions.

20 SENATOR KNIGHT: Thank you.

21 As the Counsel, do you believe that the current  
22 staffing of the ALRB is adequate to address the diverse language  
23 and cultural needs of the farmworker community? If not, what is  
24 your view?

25 MS. TURNER: Let me share, let me share an actual  
26 case we just had out of Santa Maria. Ninety farmworkers who did  
27 not speak Spanish but spoke various indigenous languages and  
28 related dialects --

1                   SENATOR KNIGHT: Indigenous to what?

2                   MS. TURNER: Mixteco, some other Indian dialects.

3 We were not familiar with the language. Our interpretors were  
4 not familiar with the language.

5                   We settled that case without a trial. But in  
6 order to do so, we first had to interview ninety employees with  
7 interpretors who went from Mixteco to Spanish, and then another  
8 set of interpretors who went from Spanish to English.

9                   After we settled the case, we had to go back and  
10 re-interview all ninety farmworkers in order to get their work  
11 history, in order to determine what interim employment they  
12 might have had because we mitigate damages. That's one case.

13                   How we did it, we tasked all of our regional  
14 offices -- we have four right now -- taking people away from  
15 other tasks, from elections, from investigation of charges.

16                   Yes, we need more staff. I'm not prepared to  
17 tell you where, and how many, or whether they'll be field  
18 examiners or attorneys. I still have to learn that process. I  
19 need to get into the regional offices and be able to assess more  
20 accurately.

21                   But if I find a need, I'm not shy, and I'm right  
22 across the street.

23                   SENATOR KNIGHT: I know you're not shy.

24                   [Laughter.]

25                   SENATOR KNIGHT: Questions of the Committee,  
26 Senator Karnette?

27                   SENATOR KARNETTE: I don't really know what the  
28 access rule is. Would you explain that, and tell me if you



1 support it?

2 I mean, I should know, but I don't.

3 MS. TURNER: You heard about the access rule.  
4 You will hear a lot about the access rule. It's been quite  
5 controversial.

6 There have been those who have proposed that our  
7 Act be changed to eliminate the access rules because there is no  
8 access rule in the federal statute, after which we are modeled,  
9 the National Labor Relations Act.

10 In 25 years, I have never found a single issue  
11 under our Act that did not have its genesis in federal labor  
12 law. The difference in our Act and the National Act with regard  
13 to access is just a matter of procedure.

14 Under the National Act, a labor organization  
15 loses an election, files an election objection and says, we  
16 lost because we didn't have access. The National Board may  
17 conclude, you're right, it's because you didn't have access.  
18 Henceforth you will have access, back to the get-go, and  
19 organize all over again. By this time there has been a  
20 turnover.

21 Or, you file an unfair labor practice charge  
22 making the same allegation, and eventually, if you prevail, you  
23 then have access.

24 That is based on the federal presumption that  
25 with an established, stable, industrial labor force, there are  
26 always reasonable alternative means of communicating with  
27 employees. The rule was developed initially for the resorts in  
28 the Catskills, where the staffs lived on the premises.

1           What our Board did in 1975 was, take that same  
2 access rule and apply it in California, but to base it on a very  
3 different presumption. That presumption being that with a  
4 migratory and rural workforce in agriculture, there are no  
5 reasonable, adequate means of communicating with employees.

6           So, under our Act, it is a given that union  
7 organizers will have access to the employees at the work site,  
8 but under strict time and manner provisions. For example, two  
9 organizers per crew, an hour before work, an hour after work, at  
10 noon time up to one hour, but conditioned by the actual time the  
11 employees are taking lunch.

12           SENATOR KNIGHT: Did you get that, Senator  
13 Karnette?

14           SENATOR KARNETTE: It sounds like teachers  
15 organizing.

16                           [Laughter.]

17           SENATOR KNIGHT: Senator Romero.

18           SENATOR ROMERO: Thank you very much.

19           Again, you've got some very strong credentials  
20 and strong letters of support on your behalf.

21           I read through your response letter. On Page Two  
22 in particular, I noted that you did address the question of the  
23 increased use of farm labor contractors.

24           I'd like to ask if you can expand upon your  
25 response again in terms of how, in your opinion, the rise of the  
26 use of farm labor contractors has changed, and perhaps made more  
27 difficult, the enforcement side.

28           MS. TURNER: Well, we no longer have union hiring



1 halls, as you know.

2 SENATOR KNIGHT: Street corners.

3 MS. TURNER: We have the rise of sophisticated  
4 farm labor contractors, which are large employers in their own  
5 right.

6 The Act excludes labor contractors from the  
7 definition of employer. The ALRB has made some allowances over  
8 the years. And that is, if there is a labor contractor that is  
9 more than just a mere provider of employees, we might consider  
10 that entity to be an employer.

11 The test is, does the entity have the resources,  
12 the longevity, to remedy unfair labor practices, and in  
13 particular, enter into collective bargaining agreements.

14 It's been many years since we've looked at those  
15 cases. It's been many years since we've had a real labor  
16 contractor issue.

17 I anticipate that in the months ahead, we will be  
18 looking at those. And I will have to assess them, and judge  
19 them, and take them to the Board.

20 The problem that I can tell you immediately that  
21 we are having with labor contractors is, as Ms. Shiroma said,  
22 the employer is the employer of the employees provided by the  
23 contractor. And any misconduct by a labor contractor is  
24 directly imputable to the employer.

25 The present pressing problem with labor  
26 contractors is, the Board issues a decision, it remedies unfair  
27 labor practices, it may designate a remedy to an entire employee  
28 unit. That case will go through the Court of Appeals, come

1 back. At that point, we have to find those farmworkers. Time  
2 is against us.

3 We just resolved a case that began with an  
4 election on July 27th, 1974, went to the Courts of Appeal. It  
5 went to the California Supreme Court. It came back. We opened  
6 compliance. We were lucky in that case. We came up with an  
7 assessment of what was due each employee, and employer said, I  
8 accept that. And there was no contest. We issued roughly  
9 \$400,000 to 600 -- theoretically to 640 employees. We are still  
10 looking for the last batch of 140. Those are employees that  
11 were provided by a labor contractor out of the Fresno area.

12 Sometimes we luck out; sometimes we don't. We  
13 resorted to spots on radio, foreign language newspapers,  
14 employers, unions. It's an ongoing problem.

15 I'm very interested in some of the new farm labor  
16 contractor legislation that just went through the Senate. And I  
17 note in particular, on the Burton bill, labor contractors are  
18 required to issue pay stubs. This may help us and help the  
19 farmworker in identifying the employer.

20 What I need to know now is, is there any way  
21 we can hold the farm labor contractor to maintain payroll  
22 records for a period of time?

23 SENATOR ROMERO: Thank you.

24 SENATOR KNIGHT: Any other questions from the  
25 Committee?

26 Any support?

27 MR. GABRIEL: I'm Roy Gabriel, representing the  
28 California Farm Bureau.

1 I just want to let you know, I've known Norma  
2 Turner for 25 years. There's no skeletons in her closet that  
3 I'm aware of.

4 Interestingly enough, ALRB General Counsel  
5 appointees over the years, some have been quite controversial in  
6 one way or another. They've either been aligned to one side or  
7 another.

8 Norma's probably the first appointee that really,  
9 you know, has been fair and objective. She may be the most  
10 qualified person ever appointed to this position because of her  
11 25 years of experience dealing with California agricultural  
12 labor law.

13 We are very pleased to support her appointment.  
14 Thank you.

15 SENATOR KNIGHT: Thank you.

16 MS. TURNER: That's nice. Thank you, Roy.

17 SENATOR KNIGHT: You have people that can support  
18 you. It's all right.

19 Any opposition?

20 SENATOR KARNETTE: Move it.

21 SENATOR KNIGHT: It's been moved. Secretary,  
22 call the roll.

23 SECRETARY WEBB: Senator Karnette.

24 SENATOR KARNETTE: Aye.

25 SECRETARY WEBB: Kanette Aye. Senator Knight.

26 SENATOR KNIGHT: Aye.

27 SECRETARY WEBB: Knight Aye. Senator Romero.

28 SENATOR ROMERO: Aye.

1 SECRETARY WEBB: Romero Aye. Three to zero.

2 SENATOR KNIGHT: Three to zero, confirmation's  
3 approved.

4 Do you have any family here that you'd like to  
5 introduce?

6 MS. TURNER: I do. My daughter-in-law is here.  
7 Ann, where are you?

8 SENATOR KNIGHT: Congratulations.

9 MS. TURNER: Thank you.

10 SENATOR KNIGHT: Next we have Melinda G. Wilson,  
11 Chief Deputy Director, Department of Rehabilitation.

12 MS. WILSON: Thank you, Chairman Knight, Members  
13 of the Committee.

14 I'm honored to sit before you here today and to  
15 seek your confirmation of my appointment to Chief Deputy  
16 Director, Department of Rehabilitation.

17 I was warned that I only have two minutes to  
18 speak.

19 SENATOR KNIGHT: I didn't say that.

20 MS. WILSON: No, not you, Senator.

21 So, I thought about the comments I would like to  
22 make. I was thinking about my opportunities in this country,  
23 and what really makes this country great.

24 It's great because it does afford each and every  
25 one of us opportunities in education, employment, careers, being  
26 able to own property, homes, raising children, social  
27 opportunities, as well as being able to contribute back to  
28 society.



When I was a young girl 18 years old, I was pregnant, on welfare, but I also was in a college. And a couple of years later, I was able to obtain full-time employment. It took me seven years, working full-time and having two young children, before I got my Bachelor's degree, but I was able to do that.

Then subsequently, I was able to have a 27-year career with the Department of Rehabilitation. Also, at age 41, I was able to attend law school part-time and become an attorney, sworn in by the California Bar.

I raised the opportunities that I've had because my commitment, my agenda here today, is to increase opportunities for Californians with disabilities.

I sit before you, and I commit to you, as well as to members of the Department of Rehabilitation, and Californians with disabilities, that under the esteemed leadership of Catherine Campisi, our Director, I will assist in increasing our employment outcomes at the Department for individuals with disabilities, managing our resources, partnering with our consumers, with community agencies, with other interested rehabilitation programs, and also doing all of these, most importantly, in an environment of dignity, trust, and respect.

I respectfully request your confirmation of my appointment this afternoon, and I'm prepared to answer any questions.

Thank you very much.

SENATOR KNIGHT: Thank you.

Many believe that the Department has had

1 difficulty recruiting and retaining qualified staff.

2 What progress have you made in that arena?

3 MS. WILSON: We have made some progress.

4 However, it's very slow. But we do anticipate significant  
5 progress, hopefully within the next year, and let me tell you  
6 why.

7 We have had difficulty recruiting rehabilitation  
8 counseling staff in particular. But just most recently, the  
9 State Personnel Board did approve a declassification for our  
10 rehabilitation counseling series. So, instead of having three  
11 steps within the counseling series, we now will have five steps,  
12 which will allow us, based on the education, training, and  
13 experience of individuals who apply for rehabilitation  
14 counselors, allow us to bring those individuals in at one of  
15 those five steps.

16 Before, we were pretty much precluded from  
17 bringing anyone in at the top step. If in fact individuals have  
18 a Master's degree, and have the qualification and experience, we  
19 can recruit and appoint at the higher step. This will help  
20 tremendously.

21 The other thing is that we find certain areas of  
22 the state are harder to recruit than others, for example, the  
23 Bay Area, San Francisco Bay Area. And we have been approved for  
24 a geographical pay differential for our rehabilitation  
25 counseling staff, our counselors, our supervisors, and our  
26 clerical staff.

27 SENATOR KNIGHT: So what is your percentage of  
28 staffing right now?



1 MS. WILSON: Excuse me?

2 SENATOR KNIGHT: What is your percentage of  
3 staffing? What percentage of total staffing do you have now?

4 MS. WILSON: We have close to 2,000 staff in  
5 total within the Department.

6 SENATOR KNIGHT: Those are people on board?

7 MS. WILSON: Those are not people on board.

8 SENATOR KNIGHT: That's positions?

9 MS. WILSON: That's positions, authorized  
10 positions.

11 SENATOR KNIGHT: How many are unfilled?

12 MS. WILSON: How many positions are unfilled?  
13 Gosh, I'm sorry. I don't know that off-hand. I think I'm a  
14 little bit nervous.

15 SENATOR KNIGHT: No need to be nervous. Burton's  
16 not here.

17 [Laughter.]

18 MS. WILSON: We just recently had a vacancy  
19 meeting to really strategize around increasing the number of  
20 positions we have in terms of filling positions. And I know  
21 that -- I just -- I'm sorry. I can't recollect the number. We  
22 were concentrating on rehabilitation counselors in particular.

23 SENATOR KNIGHT: There's some that would indicate  
24 that the Department does not have the ability to manage a  
25 budget, or maintain and analyze data that has been up to the  
26 standard.

27 MS. WILSON: Well, the Bureau of State Audits  
28 conducted a review of our program.

1 Are you talking about our overall budget?

2 SENATOR KNIGHT: Yes.

3 MS. WILSON: Yes, and made recommendations  
4 regarding better managing our resources.

5 We have implemented several strategies to attend  
6 to that, and we plan to implement further. For example, one of  
7 the things that we are doing is improving our management  
8 information system, because that's critical in terms of the  
9 types of reports, the kinds of information we provide our top  
10 managers as well as our middle managers, so that, in fact, we  
11 can see how the resources are utilized, where we're using  
12 resources, where the problem areas are, where the variances are.

13 So, we are working on improving our management  
14 information systems.

15 We also have asked our rehabilitation counselors  
16 to better scrutinize the planned development for our consumers,  
17 as well as the process. During the process, making sure that  
18 the consumer is making progress in his or her plan, and making  
19 sure that the services that we're providing lead to the  
20 outcome.

21 We also are getting the consumers more involved  
22 in the process so that -- and stressing employment outcomes  
23 initially when they come through the front door.

24 But in general, we definitely recognize the need  
25 to better manage our resources, and we are implementing  
26 strategies to do so.

27 SENATOR KNIGHT: Within the community of the  
28 blind there is some 70 percent unemployment.

1 Can you give me some reason for that?

2 MS. WILSON: Just recently I presented to the  
3 Workforce Investment Board, and actually there was 70 percent  
4 unemployment, the information that I presented, for individuals  
5 with significant disabilities across the board.

6 But in reference to individuals who are blind and  
7 visually impaired, we have been meeting with advocates, the  
8 Blind Alliance for Rehabilitation Change. Our Director,  
9 Catherine Campisi, when she came on board in 1999, began initial  
10 discussions with them, and those have continued.

11 We are looking at, once again, policies,  
12 procedures, strategies, to address the issues of 70 percent  
13 unemployment among individuals who are blind and visually  
14 impaired.

15 Some of it, in terms of just general society, you  
16 ask for reasons, you know, there's a lot of misconception in  
17 terms of what individuals who are blind can and cannot do.  
18 There is employer discrimination. There is discrimination.

19 But what we're trying to do is look internally  
20 within our own Department, what things can we put in place. And  
21 we have put in several things. First of all, we have  
22 reorganized in terms of our divisions, and we've put the  
23 services, our specialized services for blind and visually  
24 impaired, under one division. We've hired an individual who  
25 is -- has personal experience with blindness herself, who is  
26 very credible, and has a lot of knowledge, Linda Bardis. She's  
27 a Deputy Director over that division.

28 We also have -- we're looking at training

1 programs for our rehabilitation counselors who specifically  
2 serve individuals are who are blind and visually impaired.

3 SENATOR KNIGHT: Let me back up just a minute.

4 You indicated that there was discrimination.  
5 There was a reluctance on employers to hire the blind or  
6 impaired visually.

7 But I would assume those are normal factors, and  
8 they're everyday factors.

9 So, do you have a program that addresses those  
10 kinds of things?

11 MS. WILSON: Surely.

12 Working outreach, outreaching to employers to  
13 make sure that they are aware of the strengths, the benefits, of  
14 hiring individuals with disabilities, and particularly  
15 individuals who are blind and visually impaired. Making sure  
16 they're aware of the laws in terms of anti-discrimination laws,  
17 the Americans with Disabilities Act. Helping them to understand  
18 how they can reasonably accommodate individuals with  
19 disabilities, particularly those who are blind and visually  
20 impaired. Some of those things.

21 SENATOR KNIGHT: Thank you.

22 Senator Karnette.

23 SENATOR KARNETTE: Thank you, Senator  
24 Knight.

25 Actually, Senator Knight and I, we've known each  
26 other a long time. A long time ago, he used to watch my  
27 briefcase because I was always forgetting it.

28 SENATOR KNIGHT: Don't get any ideas about



1 Karnette. She's a Democrat.

2 [Laughter.]

3 SENATOR KARNETTE: Oh well, Pete, you know, this  
4 is a democracy. I have respect for you.

5 The Department of Rehab. provides vendors who  
6 contract with state agencies for vending machine services.  
7 Ironwood State Prison in Blythe has had a serious problem with  
8 its vending machines with the Department of Rehab, when they're  
9 contracted to stock and keep it in running order.

10 What happens is, people go there, and that's the  
11 only place, when they visit, that they can get food. And  
12 they're often broken.

13 We were wondering if you can help us out here.  
14 Do you know why this happens? Can we resolve it, because if you  
15 lived in Blythe, you'd need a Coke.

16 MS. WILSON: Right.

17 Well, I'm aware of the problem. I understand  
18 that there's approximately 18 vending machines at Ironwood State  
19 Prison.

20 And what I'm told is that the machines are -- the  
21 age of the machines range from one to six years old. And that  
22 there's just very heavy use, because that is the only facility  
23 for food.

24 What has been happening is because of the heat  
25 and the really heavy use. When they break down, the vendor,  
26 whom I understand is a very successful vendor in terms of  
27 operating these vending machines, but what the vendor tries to  
28 do is to get it repaired as quickly as possible. So, many times

1 that does mean repairing it during the heaviest traffic on the  
2 weekends.

3 But that's not to say that that's going to  
4 address the issue of individuals needing to have food, and  
5 they're there, and the vending machines not operational.

6 So, what I would like to tell you is that already  
7 we have our business enterprise consultant and our field  
8 representative working with the vendor to address the problem,  
9 and we are committed to addressing it.

10 SENATOR KARNETTE: It's really, I think, a very  
11 important thing we need to handle, because in isolated areas,  
12 it's really difficult.

13 MS. WILSON: Exactly.

14 SENATOR KARNETTE: Do you think you could get  
15 back to us on that? I would like to hear about that.

16 MS. WILSON: I will absolutely do that.

17 SENATOR KARNETTE: And I have one other question,  
18 if it's all right, Senator Knight.

19 SENATOR KNIGHT: Go ahead, Senator Karnette.

20 SENATOR KARNETTE: I am interested, and I  
21 mentioned this to you earlier, in what happens to the disabled  
22 as they age. Do you have special programs? All of us have  
23 various problems as we age, but the disabled have even more;  
24 it's even more serious.

25 MS. WILSON: Yes.

26 SENATOR KARNETTE: Do you have any special  
27 counselors or programs for the aging process?

28 MS. WILSON: Well, specifically for individuals



1 who are blind and visually impaired, we do have counselor-  
2 teachers who work with the individuals in their home many times  
3 to assist them to adjust if they have just recently been blinded  
4 or recently lost their sight.

5 So, we do have counselor-teachers that teach  
6 mobility, orientation, how to prepare the food, once the sight  
7 is gone or diminished.

8 In addition to that, we also, in our Department,  
9 administer the independent living programs, administer the  
10 funding for independent living programs. And those programs are  
11 committed to independent living, making sure that individuals  
12 are able to live in their communities, to access resources in  
13 their communities. So, I think that's another dynamic in terms  
14 of, as individuals with disabilities age, making sure that they  
15 are connected to those resources provided by the Independent  
16 Living Centers.

17 And then, as I shared with you earlier, there is  
18 an initiative by the Governor that's being administered out of  
19 Health and Human Services Agency, actually planning for it, and  
20 that's long-term care. Basically it is an aging with dignity  
21 initiative, what kind of resources are needed as the population  
22 ages, whether it be nondisabled and disabled, and making sure  
23 those resources are available.

24 SENATOR KARNETTE: Thank you.

25 SENATOR KNIGHT: Senator Romero.

26 SENATOR ROMERO: Thank you.

27 Is there a state department or agency that is  
28 responsible for monitoring state compliance with ADA?

1 MS. WILSON: The Department of Rehabilitation,  
2 our department, has a lead in terms of providing technical  
3 assistance, but we don't actually monitor.

4 I think you would have to look, for example, at  
5 what the subject matter is. If it's employment discrimination  
6 under the ADA, if it was just precluded by the ADA, then you  
7 probably would look at Fair Employment and Housing.

8 If it has to do with physical access,  
9 architectural barriers, you probably would look at the General  
10 Services, Department of General Services.

11 Our Department, we do have a critical role in  
12 terms of providing consultation and assistance to other state  
13 agencies on how they can comply with the ADA.

14 SENATOR ROMERO: Thank you.

15 SENATOR KNIGHT: Thank you.

16 Now you see, Melinda, it wasn't so bad; was it?

17 MS. WILSON: No, it wasn't, I guess. I'll let  
18 you know in about an hour, after I settle down.

19 SENATOR KNIGHT: The last question was, I want to  
20 know what you you're going to do with me when I get a little  
21 older.

22 [Laughter.]

23 MS. WILSON: What do you have in mind.

24 [Laughter.]

25 SENATOR KNIGHT: I'll talk to you in an hour.

26 [Laughter.]

27 SENATOR KNIGHT: Do you have any support,  
28 Melinda, or do you have anybody that you want to introduce,

1 family or anything?

2 MS. WILSON: I will say I have plenty of family,  
3 but they're all in Los Angeles.

4 Can I just have my Rehabilitation family stand,  
5 or wave their hands?

6 SENATOR KNIGHT: Certainly. They all sat in the  
7 back. Is there a reason for that?

8 MS. WILSON: They're probably making fun of me.

9 SENATOR KNIGHT: I don't think so. If they are,  
10 ask them where they're going to work next week.

11 [Laughter.]

12 MS. WILSON: All right.

13 SENATOR KNIGHT: Anybody in opposition? Do I  
14 have a motion?

15 SENATOR KARNETTE: Move the confirmation.

16 SENATOR KNIGHT: Secretary, call the roll.

17 SECRETARY WEBB: Senator Karnette.

18 SENATOR KARNETTE: Aye.

19 SECRETARY WEBB: Kanette Aye. Senator Knight.

20 SENATOR KNIGHT: Aye.

21 SECRETARY WEBB: Knight Aye. Senator Romero.

22 SENATOR ROMERO: Aye.

23 SECRETARY WEBB: Romero Aye. Three to zero.

24 MS. WILSON: I thank you very, very much.

25 [Thereupon this portion of the  
26 Senate Rules Committee hearing  
27 was terminated at approximately.

28 2:20 P.M.]

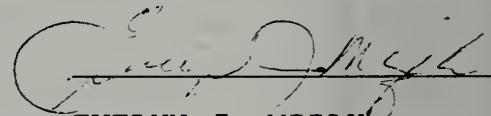
CERTIFICATE OF SHORTHAND REPORTER

I, EVELYN J. MIZAK, a Shorthand Reporter of the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing transcript of the Senate Rules Committee hearing was reported verbatim in shorthand by me, Evelyn J. Mizak, and thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said hearing, nor in any way interested in the outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 7<sup>th</sup> day of May, 2001.

  
EVELYN J. MIZAK  
Shorthand Reporter



# United Farm Workers of America, AFL-CIO

April 30, 2001

Honorable Senator John Burton, Chair  
Senate Rules Committee  
Capitol Building, Room #400  
Sacramento, Ca 95814

Re: Agricultural Labor Relations Board Confirmation

Dear Senator Burton,

On behalf of the United Farm Workers of America, AFL-CIO I wish to express our support for the confirmation of Genevieve Shiroma as Chair and Member of the Agricultural Labor Relations Board.

We have been satisfied with her professionalism and energy in fairly administering the Agricultural Labor Relations Act and confident in her ability to equally serve the needs of Farm Workers and the Agricultural Industry in California.

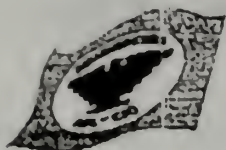
Sincerely,

A handwritten signature in cursive script that reads 'Rosalinda Guillen'. The signature is fluid and elegant, with the first letters of the first and last names being capitalized and prominent.

Rosalinda Guillen  
National Vice President, UFW

cc: Senator Ross Johnson(Vice Chair)  
Senator Gloria Romero  
Senator Betty Karmette  
Senator Wm. J. "Pete" Knight  
Executive Officer, Greg Schmidt





# United Farm Workers of America, AFL-CIO

April 30, 2001

Greg Schmidt  
Senate Rules Committee  
Capitol Building, Room #400  
Sacramento, Ca 95814

Re: Agricultural Labor Relations Agency Confirmation

Dear Mr. Schmidt,

On behalf of the United Farm Workers of America, AFL-CIO I wish to express our support for the confirmation of Norma Turner as General Counsel for the Agricultural Labor Relations Agency.

Norma has vast experience and history with the Agricultural Labor Relations Agency and we are confident she will fairly enforce the Agricultural Labor Relations Act.

Sincerely,

Rosalinda Guillen  
National Vice President, UFW

cc: Senator John Burton(Chair)  
Senator Ross Johnson(Vice Chair)  
Senator Gloria Romero  
Senator Wm. J. Knight  
Senator Betty Karnette





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